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LEGISLATIVE HISTORY

Public Law 71--81st Congress

Chapter 138--1st Session

H. R. 2632

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FIRST DEFICIENCY APPROPRIATION ACT, 1949. H. R. 2632 includes the following items. Conservation and use of agricultural land resources: Provides $9,734,500 for costs incident to establishing acreage allotments or formulating marketing quotas for cotton and wheat and includes language increasing by $25,500 the amount which may be transferred to "Printing and binding," Office of Information, to provide printing and binding funds in connection with cotton and wheat marketing-quota work. Control of emergency outbreaks of insects and plant diseases: Provides $1,250,000, largely for control of Mormon crickets and grasshoppers. Commodity Credit Corporation: Provides for an increase in the administrative-expense limitation of $3,239,700, consisting of $2,701,765 (including $271,765 of Pay Act costs) for additional administrative work in connection with increased price-support activities and $537,935 to cover the 1949 Pay Act costs on the original administrative-expense limitation. Extension until June 30, 1950, of the availability of funds appropriated by the Second Deficiency Appropriation Act, 1949, for "Loans to farmers, 1948 flood damage," and making these funds available for assistance in connection with the recent snow-storm damage, etc. Provision making provisions of this bill effective as of Mar. 1, 1949, and ratifying subsequent obligations in anticipation of enactment of the bill, Joint Committee on Nonessential Expenditures, $20,000; Office of Defense Transportation, $95 thousand with a provision to continue this item until June 30, 1949: Employees' compensation fund, $3,400,000; Tennessee Valley Authority, $2,950,000, including funds for beginning construction of the New Johnsonville steam plant and for two additional units: War Assets Administration, $13,250,000, with a provision extending WAA from Feb. 28 until June 30, 1949: Voluntary anti-inflation agreements, Commerce Department, $190,000; Census of business, Commerce Department, $11,000,000, including provision for compensation of employees of other departments who may be detailed for field work; export control, Commerce Department, $1,000,000; Bonneville Power Administration, $6,047,800; Bureau of Reclamation, various amounts; flood control, Army Department, $24,000,000.

January 7, 1949	Documents: The estimates upon which the bill is based are contained in House Documents Nos. 35, 38, 40, 44, 50, 54, and 58.
January 26, 1949	Hearings: House, H. R. 2632.
February 14, 1949	House Committee reported H. R. 2632. House Report 111. Print of the bill as reported. House Rules Committee reported H. Res. 99 for the consideration of H. R. 2632. House Report 118. Print of the resolution.
February 15, 1949	House began debate on H. R. 2632. There was no debate on USDA items.
February 16, 1949	House concluded debate and passed H. R. 2632 with amendment, 367-19. There was no debate and no change in the USDA items. Rejected, 105-192, the Taber amendment to decrease TVA items. (pp. 1276-86).
February 17, 1949	Print of H. R. 2632 as referred to the Senate Committee on Appropriations.
February 21, 1949	Hearings: Senate, H. R. 2632.
February 25, 1949	Print of an amendment proposed by Senator Stennis.
February 28, 1949	Print of an amendment proposed by Senator Taylor.
March 17, 1949	Hearings: Senate, supplemental. H. R. 2632.
March 18, 1949	Print of an amendment proposed by Senators Ferguson, and Gurney.
March 22, 1949	Senate Committee reported H. R. 2632 with amendments. Senate Report 138. Print of the bill as reported.
April 11, 1949	Senate began debate on H. R. 2632. Agreed to committee amendments to increase the insect control (E&PQ) item by $350,000 and to include the FHA item to entend until June 30, 1950, the availability of funds appropriated by the 2d Deficiency Appropriation Act, 1948, for "Loans to farmers, 1948 flood damage," and to make these funds available for assistance in connection with the recent snow-storm damage, etc. Print of an amendment proposed by Senator Bridges.
April 12, 1949	Senate debate continued.
April 13, 1949	Senate concluded debate and passed H. R. 2632 with amendments. Senate conferees appointed. Print of the bill with the amendments of the Senate numbered.
April 14, 1949	House conferees appointed.
May 16, 1949	Both Houses received and agreed to the conference report. House Report 584.
May 24, 1949	Approved. Public Law 71.

81st Congress, 1st Session } HOUSE OF REPRESENTATIVES { Document No. 35

REPEALING A PROVISO CONTAINED IN THE INTERIOR DEPARTMENT APPROPRIATION ACT FOR 1949

COMMUNICATION

FROM

THE PRESIDENT OF THE UNITED STATES

TRANSMITTING

FOR THE CONSIDERATION OF THE CONGRESS A REPEAL OF A PROVISO CONTAINED IN THE INTERIOR DEPARTMENT APPROPRIATION ACT FOR 1949

JANUARY 7, 1949.—Referred to the Committee on Appropriations and ordered to be printed

THE WHITE HOUSE,
Washington, January 6, 1949.

The SPEAKER OF THE HOUSE OF REPRESENTATIVES.

SIR: I have the honor to transmit herewith for the consideration of the Congress a repeal of a proviso contained in the Interior Department Appropriation Act for 1949 which is referred to in the attached letter of the Director of the Bureau of the Budget.

I have previously indicated my opposition to this proviso which has the effect of legislating out of office the Commissioner of the Bureau of Reclamation and one of his principal assistants. This arbitrary action is diametrically opposed to the principles on which this Government is founded. Furthermore, these positions are primarily administrative in character and do not necessarily require a professional engineering background.

I strongly urge the repeal of this restrictive provision.

Respectfully yours,

HARRY S. TRUMAN.

EXECUTIVE OFFICE OF THE PRESIDENT,
BUREAU OF THE BUDGET,
Washington 25, D. C., January 5, 1949.

THE PRESIDENT,
The White House.

SIR: I have the honor to submit for your consideration a provision of language repealing a proviso in the Interior Department Appropriation Act for 1949 which would legislate out of office the Commissioner of Reclamation and one of the regional directors, as follows:

DEPARTMENT OF THE INTERIOR

BUREAU OF RECLAMATION

GENERAL OFFICES

Salaries and expenses (other than project offices)

The proviso under this head in the Interior Department Appropriation Act, 1949, which reads:

> *Provided further,* That after January 31, 1949, no part of any appropriation for the Bureau of Reclamation contained in this Act shall be used for the salaries and expenses of a person in any of the following positions in the Bureau of Reclamation, or of any person who performs the duties of any such position, who is not a qualified engineer with at least five years' engineering and administrative experience: (1) Commissioner of Reclamation; (2) Assistant Commissioner of Reclamation; and (3) Regional Director of Reclamation—

is hereby repealed.

I recommend the transmission of this proposed provision to the Congress.

Respectfully yours,

JAMES E. WEBB,
Director of the Bureau of the Budget.

○

81st Congress, 1st Session } HOUSE OF REPRESENTATIVES { Document No. 38

SUPPLEMENTAL ESTIMATE OF APPROPRIATION FOR THE TREASURY DEPARTMENT

COMMUNICATION

FROM

THE PRESIDENT OF THE UNITED STATES

TRANSMITTING

SUPPLEMENTAL ESTIMATE OF APPROPRIATION FOR THE FISCAL YEAR 1949 IN THE AMOUNT OF $2,000,000 FOR THE TREASURY DEPARTMENT

JANUARY 13, 1949.—Referred to the Committee on Appropriations and ordered to be printed

THE WHITE HOUSE,
Washington, January 10, 1949.

The SPEAKER OF THE HOUSE OF REPRESENTATIVES.

SIR: I have the honor to transmit herewith for the consideration of Congress a supplemental estimate of appropriation for the fiscal year 1949 in the amount of $2,000,000 for the Treasury Department.

The details of the estimate, the necessity therefor, and the reason for its submission at this time are set forth in the letter of the Director of the Bureau of the Budget, transmitted herewith, in whose comments and observations thereon I concur.

Respectfully yours,

HARRY S. TRUMAN.

EXECUTIVE OFFICE OF THE PRESIDENT,
BUREAU OF THE BUDGET,
Washington 25, D. C., January 5, 1949.

The PRESIDENT,
The White House.

SIR: I have the honor to submit herewith for your consideration a supplemental estimate of appropriation for the fiscal year 1949 in the amount of $2,000,000 for the Treasury Department, as follows:

TREASURY DEPARTMENT

BUREAU OF ENGRAVING AND PRINTING

SALARIES AND EXPENSES

For an additional amount, fiscal year 1949, for "Salaries and Expenses" $2,000,000

This amount is needed primarily to increase the production at the earliest possible date of United States currency by the Bureau of Engraving and Printing. The appropriation for the Bureau of Engraving and Printing will permit the production of only 91,000,000 sheets during fiscal year 1949, whereas the Treasury Department is redeeming worn-our currency at the rate of 105,000,000 sheets a year. The heavier redemptions result not only from the larger quantities of currency in circulation but the further fact that much of such currency is below a desirable standard of fitness. As a result, the Department is experiencing great difficulty in maintaining sufficient stocks of currency in the various denominations to fill requisitions. Unless immediate steps are taken to increase the production of currency, there is constant danger of the Department receiving requisitions for currency it cannot fill. The funds requested in the supplemental estimate will permit the Bureau of Engraving and Printing to resort to overtime operations for the remainder of the fiscal year 1949 and will result in the production of an additional 16,000,000 sheets of currency.

I recommend that the foregoing supplemental estimate be transmitted to the Congress.

Respectfully yours,

JAMES E. WEBB,
Director of the Bureau of the Budget.

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81st Congress, 1st Session } HOUSE OF REPRESENTATIVES { Document No. 40

SUPPLEMENTAL ESTIMATES OF APPROPRIATION, FISCAL YEARS 1949 AND 1950

COMMUNICATION

FROM

THE PRESIDENT OF THE UNITED STATES

TRANSMITTING

SUPPLEMENTAL ESTIMATES OF APPROPRIATION FOR FISCAL YEARS 1949 AND 1950 IN THE AMOUNT OF $37,937.52 AND $125,115, RESPECTIVELY

JANUARY 25, 1949.—Referred to the Committee on Appropriations and ordered to be printed

THE WHITE HOUSE,
Washington, January 24, 1949.

The SPEAKER OF THE HOUSE OF REPRESENTATIVES.

SIR: I have the honor to transmit herewith for the consideration of Congress supplemental estimates of appropriation for the fiscal years 1949 and 1950 in the amounts of $37,937.52 and $125,115, respectively.

The details of these estimates, the necessity therefor, and the reasons for their submission at this time are set forth in the letter of the Director of the Bureau of the Budget, transmitted herewith.

Respectively yours,

HARRY S. TRUMAN.

EXECUTIVE OFFICE OF THE PRESIDENT,
BUREAU OF THE BUDGET,
Washington 25, D. C., January 24, 1949.

The PRESIDENT,
The White House.

SIR: I have the honor to submit herewith for your consideration supplemental estimates of appropriation for the fiscal year 1949, and

supplemental estimates of appropriation for the fiscal year 1950 in the form of amendments to the Budget for said fiscal year, as follows:

Fiscal year 1949

LEGISLATIVE BRANCH

SENATE

OFFICE OF THE VICE PRESIDENT

For the expense allowance of the Vice President, fiscal year 1949, from January 20 to June 30, $4,500.

EXECUTIVE OFFICE OF THE PRESIDENT

COMPENSATION OF THE PRESIDENT

For an additional amount, fiscal year 1949, for "Compensation of the President" from January 20 to June 30, including an expense allowance at the rate of $50,000 per annum, as authorized by Public Law 2, approved January 19, 1949, $33,437.52.

Fiscal Year 1950

LEGISLATIVE BRANCH

SENATE

OFFICE OF THE VICE PRESIDENT

Budget page	Heading	Original estimate	Change to—	Increase
4	Compensation of the Vice President	$20,000	$30,000	$10,000
-------	Expense allowance of the Vice President	----------	10,000	10,000

(Insert a new item, as follows:)
For expense allowance of the Vice President, $10,000.

Budget page	Heading	Original estimate	Change to—	Increase
4	Clerical assistance to the Vice President	$35,025	$47,640	$12,615

(Delete the entire item and substitute the following:)
For clerical assistance to the Vice President, at rates of compensation to be fixed by him in multiples of $5 per month, $47,640.

HOUSE OF REPRESENTATIVES

SALARIES, MILEAGE, AND EXPENSES OF MEMBERS

Budget page	Heading	Original estimate	Change to—	Increase
6	Compensation of Members	$5,482,500	$5,492,500	$10,000
6	Mileage and expense allowance of Members	1,266,000	1,273,500	7,500

EXECUTIVE OFFICE OF THE PRESIDENT

Budget page	Heading	Original estimate	Change to—	Increase
56	Compensation of the President	$75,000	$150,000	$75,000

(Delete the entire item and substitute the following:)

For compensation of the President, including an expense allowance at the rate of $50,000 per annum, as authorized by the Act of January 19, 1949 (Public Law 2), $150,000.

Under the provisions of Public Law 2, effective at noon, January 20, 1949, increased compensation and expense allowances are provided for the President, the Vice President, and the Speaker of the House of Representatives, as well as an increased allowance for clerical assistance for the Vice President.

The supplemental estimates requested for the fiscal year 1949 provide for the increased salary for the President and the expense allowances for the President and the Vice President for the remainder of this fiscal year. The remaining expenses occasioned by the act during 1949 will be absorbed within existing appropriations. The supplemental estimates for 1950, transmitted as amendments to the 1950 budget, provide for all the increased costs under the act for the next fiscal year.

I recommend that the foregoing supplemental estimates be transmitted to the Congress.

Respectfully yours,

FRANK PACE, Jr.,
Acting Director of the Bureau of the Budget.

81st Congress, 1st Session } HOUSE OF REPRESENTATIVES { Document No. 44

SUPPLEMENTAL ESTIMATES OF APPROPRIATION TOGETHER WITH CERTAIN PROPOSED PROVISIONS AND INCREASES IN LIMITATIONS PERTAINING TO EXISTING APPROPRIATIONS

COMMUNICATION

FROM

THE PRESIDENT OF THE UNITED STATES

TRANSMITTING

SUPPLEMENTAL ESTIMATES OF APPROPRIATION FOR THE FISCAL YEAR 1949 IN THE AMOUNT OF $480,702,340, TOGETHER WITH CERTAIN PROPOSED PROVISIONS AND INCREASES IN LIMITATIONS PERTAINING TO EXISTING APPROPRIATIONS

JANUARY 25, 1949.—Referred to the Committee on Appropriations, and ordered to be printed

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THE WHITE HOUSE,
Washington, January 24, 1949.

The SPEAKER OF THE HOUSE OF REPRESENTATIVES.

SIR: I have the honor to transmit herewith for the consideration of the Congress supplemental estimates of appropriation for the fiscal year 1949 in the amount of $480,702,340, together with certain proposed provisions and increases in limitations pertaining to existing appropriations.

The details of the estimates, the necessity therefor, and the reasons for their submission at this time are set forth in the letter of the Director of the Bureau of the Budget and the attachment thereto, transmitted herewith, in whose comments and observations thereon I concur.

Respectfully yours,

HARRY S. TRUMAN.

EXECUTIVE OFFICE OF THE PRESIDENT,
BUREAU OF THE BUDGET,
Washington, D. C., January 24, 1949.

The PRESIDENT,
The White House.

SIR: I have the honor to submit herewith for your consideration supplemental estimates of appropriation for the fiscal year 1949 in the following amounts:

Legislative branch	$2, 500
The judiciary	400, 000
Executive branch	480, 299, 840
Total	480, 702, 340

In addition, there are submitted certain proposed provisions and increases in limitations pertaining to existing appropriations.

Drafts of proposed appropriation language and the details of the various estimates, together with the reasons for their submission at this time, are set forth in the attachment to this letter.

The estimates submitted by the legislative branch have been included without change, and I make no observation regarding their necessity. While the amount requested by the judiciary has been included herein without change, it is believed that this amount exceeds the requirements as indicated by my comments under "Miscellaneous items of expense: Fees of jurors." The estimates of the executive branch have been carefully reviewed, and I recommend the transmission thereof to the Congress in the amounts specified.

Respectfully yours,

FRANK PACE, Jr.,
Acting Director of the Bureau of the Budget.

ITEMS INCLUDED IN THE CONSOLIDATED SUPPLEMENTAL ESTIMATE

LEGISTATIVE BRANCH

Senate: Contingent expenses of the Senate: Vice President's automobile	$2, 500
House of Representatives: Contingent expenses of the House: Miscellaneous items	Language

THE JUDICIARY

Miscellaneous items of expense: Fees of jurors	400, 000
General provision	Language

EXECUTIVE OFFICE OF THE PRESIDENT

Office for Emergency Management: Office of Defense Transportation: Salaries and expenses	95, 000

INDEPENDENT OFFICES

Displaced Persons Commission	1, 500, 000
Federal Security Agency:	
Bureau of Employees' Compensation:	
Administrative expenses, War Claims Act	(35, 000)
Employees' compensation fund	3, 400, 000
Social Security Administration:	
Grants to States for public assistance	151, 000, 000
Grants to States for unemployment compensation and employment service administration	4, 987, 000
Housing and Home Finance Agency: Federal Housing Administration: Administrative expenses	(4, 800, 000)
Housing Expediter: Salaries and expenses	7, 075, 000
Motor Carrier Claims Commission: Salaries and expenses	50, 000
National Capital Housing Authority: Maintenance and operation of properties	3, 300
Tennessee Valley Authority	3, 450, 000
The Tax Court of the United States: Salaries and expenses	Language
Veterans Administration:	
National service life insurance	55, 000, 000
Soldiers' and sailors' civil relief	190, 000
Veterans' miscellaneous benefits	44, 189, 000
War Assets Administration: Salaries and expenses, special fund	15, 000, 000
War Claims Commission:	
Administrative expenses	(100, 000)
Payment of claims	Language
Total, independent offices	285, 844, 300

DEPARTMENT OF AGRICULTURE

Office of Information: Printing and binding	Language
Agricultural Research Administration: Bureau of Entomology and Plant Quarantine: Control of emergency outbreaks of insects and plant diseases	1, 350, 000
Production and Marketing Administration: Conservation and use of agricultural land resources	14, 000, 000
Commodity Credit Corporation: Administrative expenses	(3, 239, 700)
Total, Department of Agriculture	15, 350, 000

DEPARTMENT OF COMMERCE

Office of the Secretary: Voluntary agreements	$215,000
Bureau of the Census: Census of business	11,950,000
Civil Aeronautics Administration: Claims, Federal Airport Act	1,227,140
Coast and Geodetic Survey: Salaries and expenses, field	290,000
Bureau of Foreign and Domestic Commerce: Export control	1,175,000
Total, Department of Commerce	14,857,140

DEPARTMENT OF THE INTERIOR

Office of the Secretary: Expenses, power transmission facilities	131,000
Bonneville Power Administration: Construction, operation, and maintenance	6,509,000
Bureau of Indian Affairs:	
Navajo and Hopi service: Agency services	910,000
Welfare of Indians	385,000
Bureau of Reclamation:	
Reclamation fund:	
General offices: Salaries and expenses (other than project offices)	260,000
Construction:	
Boise project, Idaho, Payette Division	275,000
Lewiston Orchards project, Idaho	350,000
Provo River project, Utah	500,000
Operation and maintenance:	
Colorado-Big Thompson project, Colorado	52,000
North Platte project, Nebraska-Wyoming	17,500
Kendrick project, Wyoming	131,000
Emergency fund	1,000,000
General fund:	
Construction:	
Davis Dam project, Arizona-Nevada	5,000,000
Colorado-Big Thompson project, Colorado	2,000,000
Columbia Basin project, Washington	5,000,000
Missouri River Basin	5,100,000
General provision: Force account work	Language
Total, Department of the Interior	27,620,500

NATIONAL MILITARY ESTABLISHMENT

Department of the Army—Civil functions: Corps of Engineers:	
Rivers and harbors and flood control	Language
Rivers and harbors	11,500,000
Flood control, general	16,000,000
Flood control, general (emergency fund)	2,500,000
Total, National Military Establishment	30,000,000

POST OFFICE DEPARTMENT

Field Service, Post Office Department:	
Office of the Postmaster General: Damage claims	250,000
Office of the Second Assistant Postmaster General:	
Railroad transportation and mail messenger service	70,000,000
Railway mail service, travel allowance	2,727,000
Foreign air mail service	17,000,000
Office of the Fourth Assistant Postmaster General:	
Vehicle service	13,000,000
Total, Post Office Department	102,977,000

TREASURY DEPARTMENT

Fiscal Service: Bureau of Accounts:	
Payment of certified claims	2,300,000
Refund of moneys erroneously received and covered	800,000
Bureau of the Mint: Salaries and expenses	266,200
Bureau of Federal Supply: Salaries and expenses	189,700
Total, Treasury Department	3,555,900
Total, supplemental estimates	480,702,340

DETAIL OF SUPPLEMENTAL APPROPRIATION ESTIMATES FOR FISCAL YEAR 1949

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated out of any money in the Treasury not otherwise appropriated, to supply supplemental appropriations for the fiscal year ending June 30, 1949, and for other purposes, namely:

LEGISLATIVE BRANCH

SENATE

CONTINGENT EXPENSES OF THE SENATE

Vice President's Automobile

For an additional amount for "Vice President's automobile," $2,500.

HOUSE OF REPRESENTATIVES

CONTINGENT EXPENSES OF THE HOUSE

Miscellaneous Items

Notwithstanding the provisions of the Treasury Department Appropriation Act, 1949, the appropriation for "Miscellaneous items" for the House of Representatives in the Legislative Branch Appropriation Act, 1949, shall be available for purchase of new or used typewriters at prices which do not exceed prices established under the provisions of the Treasury Department Appropriation Act, 1949.

THE JUDICIARY

MISCELLANEOUS ITEMS OF EXPENSE

FEES OF JURORS

For an additional amount for "Fees of jurors," $400,000.

The foregoing amount is estimated by the Administrative Office of the United States Courts as necessary to meet increased payments of per diem and expenses allowed jurors in the Federal courts under the provisions of Public Law 779, approved June 25, 1948.

Since experience with payments under the new statute for the first 6 months of the current year is inconclusive as an indicator of the amount eventually to be required during the year, the Bureau of the Budget recommends that not in excess of $300,000 be appropriated for this purpose at this time.

GENERAL PROVISIONS—THE JUDICIARY

Notwithstanding the provisions of the Treasury Department Appropriation Act, 1949, appropriations in the Judiciary Appropriation Act, 1949, available for miscellaneous expenses or for salaries and expenses shall be available for purchase of new or used typewriters at prices which do not exceed prices established under the provisions of the Treasury Department Appropriation Act, 1949.

The Treasury Department Appropriation Act, 1949, prohibits the expenditure of appropriated moneys by the legislative and judicial branches of the Government for the acquisition of new typewriters. The foregoing proposed provision would remove the restriction insofar as it relates to The Judiciary.

EXECUTIVE OFFICE OF THE PRESIDENT

Office for Emergency Management

office of defense transportation

Salaries and Expenses

For an additional amount for "Salaries and expenses," $95,000; and the limitation under this head in the Supplemental Independent Offices Appropriation Act, 1949, on the amount available for travel expenses is increased from "$54,000" to "$65,000": *Provided*, That the appropriation under said head shall remain available until June 30, 1949: *Provided further*, That the sum of $60,000 made available under said head exclusively for terminal leave payments shall be available for any of the purposes specified under said head.

Public Law 606 (80th Cong.) authorizes continuation until June 30, 1949, of powers to allocate rail transportation and equipment.

This estimate is to provide the additional funds required by the Office of Defense Transportation to continue operations from March 1 through June 30, 1949. An estimate to provide for the continuation of the Office of Defense Transportation programs in the Bureau of Service of the Interstate Commerce Commission is included in the Budget for the fiscal year 1950.

INDEPENDENT OFFICES

Displaced Persons Commission

For an additional amount for "Displaced Persons Commission," $1,500,000; and the limitation under this head in the Second Deficieney Appropriation Act, 1948, on the purchase of passenger motor vehicles, is increased from "fifteen" to "seventy-five".

These additional funds are required to enable the Displaced Persons Commission and other Federal agencies participating in the displaced persons program to continue operations during the fourth quarter of fiscal year 1949.

The Supplemental Appropriation Act, 1949 (Public Law 904, 80th Cong.), authorized the apportionment of funds available to the Displaced Persons Commission during the first three quarters of fiscal year 1949. To assure the movement of the number of displaced persons authorized by the Displaced Persons Act of 1948, the funds have been so apportioned.

Federal Security Agency

bureau of employees' compensation

Administrative Expenses, War Claims Act

For administrative expenses necessary for performing the duties imposed upon the Federal Security Administrator by the War Claims Act of 1948 (Public Law 896, approved July 3, 1948), $35,000, to be derived from the war claims fund created by section 13 (a) of said Act and to be advanced to and consolidated with the appropriation for "Salaries and expenses" under the Bureau of Employees' Compensation in the Federal Security Agency Appropriation Act, 1949.

Employees' Compensation Fund

For an additional amount for "Employees' compensation fund," $3,400,000.

The estimate for administrative expenses is to provide for the administrative requirements of the Federal Security Agency in the adjudication and settlement of claims of beneficiaries as authorized in the War Claims Act of 1948 (Public Law 896, 80th Cong.).

The estimate for the employees' compensation fund provides $600,000 for the payment of retroactive adjustments of compensation awards for disability and death of employees of Government contractors within the purview of the act of December 2, 1942 (Public Law 784), as authorized under section 4 (c) of the War Claims Act. The act provides that the Secretary of the Treasury shall pay to the general fund of the Treasury from the war claims fund the amounts estimated and certified by the Federal Security Administrator to be required to pay benefits under the act, hence the costs hereunder are offset by the reimbursements contemplated by the act. The remaining $2,800,000 is necessary to meet accruing disability and death compensation benefits under the Federal Employees' Compensation Act of 1916, as amended, which have resulted from increased medical costs, increase in the cumulative number of permanent disability cases on the rolls, and the liquidation of certain claims by compensation in a lump sum rather than on an extended basis.

SOCIAL SECURITY ADMINISTRATION

Grants to States for public assistance

For an additional amount for "Grants to States for public assistance," $151,000,000.

The Congress appropriated $797,000,000 for this purpose in The Supplemental Federal Security Agency Appropriation Act, 1949. The funds provided were based on the estimated requirements under titles I, IV, and X of the Social Security Act and did not include the additional cost as authorized by the amendments to the act in Public Law 642, approved June 14, 1948. These amendments became effective October 1, 1948, and increased the Federal share of assistance payments. On the basis of the trends in State requests, the estimated requirements will be $948,000,000 or an additional $151,000,000 in the fiscal year 1949.

As of the end of the third quarter of the current fiscal year, the fund will have a balance of $115,000,000. The law requires that the Federal Security Administrator shall, prior to the beginning of each quarter, estimate and certify to the Treasury the amount to be paid to the States for the next quarter. Since the balance remaining in the fund is insufficient to meet the estimated fourth quarter requirements amounting to $266,000,000, the $151,000,000 should be made available at the earliest practicable moment.

Grants to States for Unemployment Compensation and Employment Service Administration

For an additional amount for "Grants to States for unemployment compensation and employment service administration," $4,987,000.

As a result of congressional action which reduced the 1949 budget estimate for grants to States for unemployment compensation and employment service administration, the State agencies have been required to reduce personnel substantially during the fiscal year 1949. A number of States have also authorized substantial salary increases since the 1949 Budget was submitted which has tended to add to their financial difficulties. The work load processed by the State agencies, however, has been lower than had been anticipated and this factor, together with certain economies and increased efficiency, has enabled a majority of the States to continue an acceptable program.

The supplemental estimate submitted provides for the cost of salary increases approved by six States since July 1, 1948, increased office rent, emergency equipment purchases, and terminal leave since July 1 resulting from the necessary reduction in force. The estimate also includes additional funds for liquidation of backlog and somewhat heavier work load anticipated for the second half of fiscal year 1949.

Housing and Home Finance Agency

FEDERAL HOUSING ADMINISTRATION

The amount made available under this head in The Government Corporations Appropriation Act, 1949, for administrative expenses of the Federal Housing Administration, is increased from "$19,000,000" to "$23,800,000"; and the sources of funds for such administrative expenses shall include the housing investment insurance fund created by the Housing Act of 1948.

Approval on August 10, 1948, of the Housing Act of 1948 added new programs and amended old programs of the Federal Housing Administration, creating a work load not provided for in the 1949 administrative expense authorization. Public Law 904, approved August 13, 1948, authorized the Administration to operate on a limited deficiency basis in order to handle this additional work load. The supplemental authorization proposed would provide $3,370,000 for these additional expenses incident to the Housing Act of 1948 and $1,430,000 for administrative pay increases comparable with those authorized by Public Law 900 (80th Cong.).

Housing Expediter

SALARIES AND EXPENSES

For an additional amount for "Salaries and expenses, Office of the Housing Expediter," $7,075,000.

The Housing and Rent Act of 1948, approved March 30, 1948, provided for rent control and certain other activities until April 1, 1949, with liquidation thereafter. Subsequently, a supplemental estimate was transmitted to the Congress to cover operations of the Housing Expediter in accordance with this legislation. The $15,172,100 appropriated by the Congress provided for operations only through March 31, 1949.

Legislation has been proposed to extend certain provisions of the Housing and Rent Act of 1948 to March 31, 1951, and to provide additional functions pertaining to eviction of tenants; treble damages; criminal sanctions with respect to wilful violations of the act; recontrol of decontrolled areas under certain conditions; and other items of less impact on operations. This supplemental estimate includes

$5,875,000 for continuation of the functions of the Housing Expediter through June 30, 1949, on the basis of the proposed legislation, and $1,200,000 for pay increases as authorized by Public Law 900 (80th Cong.)

MOTOR CARRIER CLAIMS COMMISSION

SALARIES AND EXPENSES

For expenses necessary for the Motor Carrier Claims Commission established by the Act of July 2, 1948 (Public Law 880), including personal services in the District of Columbia, travel expenses, printing and binding, and services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a), $50,000.

The foregoing estimate of appropriation is to permit commissioners to be appointed and the Motor Carrier Claims Commission to organize, determine its requirements for administrative expenses for 1949 and 1950, and to receive claims as authorized by Public Law 880 (80th Cong.). The final date for filing of claims was extended to April 2, 1949, by the Supplemental Appropriation Act, 1949 (Public Law 904, 80th Cong.). The claims which the Commission will adjudicate arise from losses allegedly sustained by certain motor carrier transportation systems as a result of requisition in 1944 and operation by the Federal Government as a war measure. These carriers, of which there are 103, were all returned to private operation by November 1, 1945. Awards are to be paid in the same manner as provided for a final judgment by the Court of Claims.

NATIONAL CAPITAL HOUSING AUTHORITY

MAINTENANCE AND OPERATION OF PROPERTIES

For an additional amount for "Maintenance and operation of properties," $3,300.

The additional amount is required because of (1) the emergency repair of the heating plant at the Williston project, $1,114; (2) an increase of $1.66 per ton of coal over the amount provided in the 1949 Budget, $486; and (3) the pay increases authorized by Public Law 900 (80th Cong.), $1,700.

TENNESSEE VALLEY AUTHORITY

For an additional amount for "Tennessee Valley Authority," $3,450,000, to remain available until expended; and the limitation under this head in title I of the Government Corporations Appropriation Act, 1949, on the amount available for capital expenditures, is increased from "$21,689,000" to "$25,139,000": *Provided*, That the limitation under this head in title II of the Government Corporations Appropriation Act, 1949, on the amount available for administrative and general expenses of the Corporation, is increased from "$3,677,000" to "$3,988,000", and the limitation therein on the use for such purposes of funds appropriated by title I of said Act is hereby repealed.

The purpose of this estimate is to provide $3,000,000 for the commencement of construction of a steam plant at New Johnsonville, Tennessee, and $450,000 to commence the construction of two additional hydro generating units, one for Guntersville Dam, Alabama, and one for Chickamauga Dam in Tennessee. These funds include the necessary administrative and general expenses applicable to these projects.

The Tennessee Valley is faced with a critical power shortage in the near future not only because of growing normal power demands but also because of the expanding requirements of the atomic energy program. The two additional hydro generators are urgently required to assist in meeting these loads. Immediate initiation of work on the steam plant is vital for effective utilization of the hydro-electric resources of the region and to increase the peak generating capabilities of the TVA power system.

The increase of $311,000 in the limitation on administrative and general expense is required to cover pay increases comparable to those provided under Public Law 900 (80th Cong.).

The Tax Court of the United States

SALARIES AND EXPENSES

The limitation imposed by section 104 of the Independent Offices Appropriation Act, 1949, on the amount available for travel expenses under this head, is increased from "$20,000" to "$26,000".

This increase in travel and subsistence allowance is required to permit the judges and hearing clerks to dispose of the increased number of cases docketed by the Court. No additional funds are requested since savings from other objects of expenditure are available to cover the estimated increase in travel expense.

Veterans Administration

NATIONAL SERVICE LIFE INSURANCE

For an additional amount for "National service life insurance," $55,000,000, to remain available until expended.

This estimate includes $37,260,000 to cover unanticipated requirements, a large portion of which were caused by claims originating in the Philippine Republic. The remaining $17,740,000 is being shifted from the 1950 estimate of requirements to the 1949 fiscal year. A decrease in the 1950 budget will be subsequently recommended.

SOLDIERS' AND SAILORS' CIVIL RELIEF

For an additional amount for "Soldiers' and sailors' civil relief," $190,000, to remain available until expended.

The number of claims received from commercial insurance companies, following the expiration of the protection period provided by the Government guaranty, has exceeded previous estimates to the extent that funds are insufficient to meet claims approved to date. A decrease in the 1950 budget will be submitted subsequently in the amount of $95,000.

VETERANS' MISCELLANEOUS BENEFITS

For an additional amount for "Veterans' miscellaneous benefits," $44,189,000, to remain available until expended.

The unit costs of tuition, supplies, and equipment for disabled veteran trainees has exceeded earlier estimates, partly because of a shift in the training load in the direction of a higher number of trainees in schools. The number of burial awards has exceeded earlier estimates. In addition, it is necessary to provide for carrying out the provisions of

Public Law 702 (80th Cong.) which authorized assistance to certain veterans in acquiring specially adapted housing required by reason of the nature of their service-connected disabilities. A decrease in the 1950 budget will be submitted subsequently in the amount of $27,047,000.

WAR ASSETS ADMINISTRATION

SALARIES AND EXPENSES, SPECIAL FUND

For an additional amount for "Salaries and expenses, War Assets Administration, special fund," $15,000,000, to be derived from the special fund account in the Treasury as provided for in the First Deficiency Appropriation Act, 1946: *Provided*, That all funds appropriated under this head for the fiscal year 1949 shall be available during the entire fiscal year: *Provided further*, That notwithstanding the provisions of any other law, not to exceed $4,000,000 of the proceeds of the disposal of surplus property or deductions from proceeds otherwise collectible as a result of the disposal of such property shall be available for such costs of renovation, restoration, rehabilitation, improvement, and repair of industrial facilities, as may be contracted for during the fiscal year 1949 if required for purposes of national defense or for the protection of the public or of private property from the effects of the operation of such facilities: *Provided further*, That the effective date for abolishing the office of the War Assets Administrator, terminating the existence of the War Assets Administration, and transferring to other Federal agencies its responsibility for disposal of property declared surplus prior to July 1, 1948, as prescribed by the Supplemental Independent Offices Appropriation Act, 1949, is hereby changed from "February 28, 1949," to "June 30, 1949," or such earlier date as may be established by legislation enacted during the first session of the Eighty-first Congress.

This supplemental estimate is required to carry on the functions of the War Assets Administration for the last 4 months of the 1949 fiscal year. It contemplates substantial personnel reductions during this period.

During the last Congress, legislation was recommended by the President to provide for an over-all permanent property management agency. While that legislation received committee attention and was reported favorably to the Senate, it failed of enactment. The estimate for the operation of the War Assets Administration during the current fiscal year was not approved in the form submitted. The Supplemental Independent Offices Appropriation Act, 1949 (Public Law 862), provided $65,000,000 of the $106,912,000 requested, which could be apportioned during the first 8 months of the year. This act directed the termination of the Administration on February 28, 1949, and the transfer of its remaining property and functions to the Reconstruction Finance Corporation, the Department of the Air Force, and the Treasury Department.

The War Assets Administration has proceeded in its preparations to meet the requirements of Public Law 862. No final action has been taken, however, to transfer functions to the agencies named. In the Budget Message just transmitted to the Congress the President again urged the early enactment of permanent property management legislation, and such legislation is now being placed before the Congress. Upon enactment, the remaining functions of the War Assets Administration would be transferred to this single property management agency, rather than to be distributed among several different agencies.

This estimate provides for deferment of the termination date of

the War Assets Administration and continuity of operation in the custody and disposal of surplus property pending consideration of the proposed property management legislation in the present session of Congress.

WAR CLAIMS COMMISSION

ADMINISTRATIVE EXPENSES

For expenses necessary for the War Claims Commission, including personal services in the District of Columbia; travel expenses; printing and binding; services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a); and advances or reimbursements to other Government agencies for use of their facilities and services in carrying out the functions of the Commission; $100,000, to be derived from the war claims fund created by section 13 (a) of the War Claims Act of 1948 (Public Law 896, approved July 3, 1948): *Provided*, That the date fixed by section 8 (a) of the War Claims Act of 1948 for submission of the report required by said section is changed from "March 31, 1949", to "December 31, 1949".

PAYMENT OF CLAIMS

For payment of claims, as authorized by the War Claims Act of 1948, from funds deposited in the Treasury to the credit of the war claims fund created by section 13 (a) of said Act, such sums as may be necessary, to be available to the Secretary of the Treasury for payment of claims under sections 4(a), 4(b)(2), 5(e), 6(b), and 7 of said Act to the payees named and in the amounts stated in certifications by the War Claims Commission and the Federal Security Administrator or their duly authorized representatives, which certifications shall be in lieu of any vouchers which might otherwise be required: *Provided*, That this appropriation shall not be available for administrative expenses.

The estimate for administrative expenses of the War Claims Commission is necessary to provide funds for the organization of the Commission and its operations during the remainder of the current fiscal year. This agency was created by the War Claims Act of 1948 (Public Law 896), for the purpose of paying claims to internees, prisoners of war, and certain religious organizations for damages or injuries sustained as a result of enemy action during World War II. In addition to the payment of these claims the Commission is charged with the responsibility of inquiring into and preparing a report to the President with respect to war claims arising out of World War II other than those claims which will be immediately adjudicated under the act. Since the Commission will not be able to prepare this report by March 31, 1949, the date specified in section 8(a) of the act, provision is made to change the submission date to December 31, 1949.

The language for payment of claims is required to authorize such payments from the war claims fund by the Secretary of the Treasury pursuant to the provisions of the War Claims Act of 1948 (Public Law 896), and solely on the basis of certifications by the War Claims Commission or Federal Security Administrator.

DEPARTMENT OF AGRICULTURE

OFFICE OF INFORMATION

PRINTING AND BINDING

The limitation under this head in the Department of Agriculture Appropriation Act, 1949, on the amount which may be transferred to this appropriation from other appropriations of the Department of Agriculture, is increased from "$145,000" to "$245,500".

The sum of $100,500 for transfer to the departmental appropriation for "Printing and binding" is included in the estimate of $14,000,000 hereafter provided for establishing marketing quotas on the 1949 corn crop and the 1950 crops of cotton, corn, wheat, and rice, under the appropriation "Conservation and use of agricultural land resources." This sum represents the amount estimated to be required to print necessary forms for use in the collection and analysis of basic farm data and the application thereof to more than 5,000,000 farms.

AGRICULTURAL RESEARCH ADMINISTRATION

BUREAU OF ENTOMOLOGY AND PLANT QUARANTINE

Control of Emergency Outbreaks of Insects and Plant Diseases

For an additional amount for "Control of emergency outbreaks of insects and plant diseases," $1,350,000.

The 1949 appropriation act provided $1,750,000 for control of emergency outbreaks of insects and plant diseases, of which the Department allocated $842,500 for grasshoppers and Mormon crickets. This sum is sufficient to take care of normal infestation, but for the past 3 years grasshopper populations have greatly increased throughout 24 central and western States.

This supplemental estimate is necessary to provide funds for (1) continuing for the remainder of the fiscal year 1949 programs to combat emergency and incipient outbreaks currently financed with the appropriation under this head in the 1949 appropriation act; and (2) cooperation with the States of Wyoming and Montana in suppressing extensive infestations of grasshoppers on range lands in the 1949 season. In these two States, it seems likely that unless intensive control measures are applied early in 1949 the infestations may involve some 30,000,000 acres, including large farming areas, before the end of another season. It is expected that State and local agencies, including property owners, will contribute at least 50 percent of the cost of control work.

PRODUCTION AND MARKETING ADMINISTRATION

CONSERVATION AND USE OF AGRICULTURAL LAND RESOURCES

For an additional amount for "Conservation and use of agricultural land resources," for formulating and carrying out programs under the Agricultural Adjustment Act of 1938, as amended, including cotton, corn, wheat, and rice marketing quota programs, $14,000,000; and the limitation under this head in the Department of Agriculture Appropriation Act, 1949, on the amount available during the fiscal year 1949 for salaries and other administrative expenses, is increased from "$24,500,000" to "$38,500,000"; and the limitation under said head on the amount available for transfer to the appropriation account "Administrative expenses, section 392, Agricultural Adjustment Act of 1938," is increased from "$7,000,000" to "$8,849,500".

It has been determined that it may be necessary to proclaim marketing quotas on the 1949 corn crop and the 1950 crops of cotton, corn, wheat, and rice in compliance with existing law in order to avoid unmanageable surplus supplies of these agricultural products.

Inasmuch as there have been no acreage allotments or marketing quotas on these commodities for 5 years, the establishment of allotments and administration of quotas will require the collection of basic farm data on planted acreages and yields for the 5-year period; the

reconstitution of farms; reviewing, completing, and revising farm schedules; determining individual farm allotments and yields; consideration of appeals; and preparation of notices of allotments and yields to individual farmers. This work will be necessary for over 5,000,000 farms and is estimated to cost $14,000,000.

Commodity Credit Corporation

ADMINISTRATIVE EXPENSES, COMMODITY CREDIT CORPORATION

The limitation under this head in the Department of Agriculture Appropriation Act, 1949, on the amount available for administrative expenses of the Corporation, is increased from "$7,575,000" to "$10,814,700".

The large and, in many cases, record crops now harvested, accompanied by the recent drop in prices of a number of the major commodities, have increased the volume of loans and other price-support activities of the Corporation to the extent that the present administrative expense authorization is inadequate to enable it to carry out the mandatory price-support programs as well as others authorized by law.

To enable the Corporation to carry on its program for the remainder of the present fiscal year, it is estimated that an additional $2,430,000 will be required, exclusive of Public Law 900 (80th Cong.) and comparable costs. These latter costs are estimated at $809,700, of which $537,935 is applicable to the original administrative expense limitation of $7,575,000, and of which $271,765 is applicable to the $2,430,000 additional program costs specified above.

DEPARTMENT OF COMMERCE

Office of the Secretary

VOLUNTARY AGREEMENTS

For an additional amount for "Voluntary agreements," $215,000.

This estimate is necessary to provide funds for continuing the program of voluntary allocations of scarce materials, and is contingent upon the passage of legislation to extend this program, for which present authority expires on February 28, 1949. The estimate would maintain staff for this program at approximately the present level for the remainder of fiscal year 1949.

Bureau of the Census

CENSUS OF BUSINESS

For an additional amount for "Census of business," $11,950,000, to remain available until December 31, 1951; and appropriations under this head shall be available for health service programs as authorized by law (5 U. S. C. 150), and for compensation of employees of the Department of Commerce and other departments and independent agencies of the Government who may be detailed for field work.

The estimate is necessary to provide funds for enumerating, compiling, and publishing a census of business. Funds for preparatory work for this census were appropriated in the closing days of the last session of Congress. Work has proceeded as planned and additional funds must now be provided if the census is to be completed. This

will be the first census of business to be taken since 1940 and will include wholesale, retail, and service establishments. The enumeration will be completed in 1949 to cover the calendar year 1948.

Funds are requested at this time inasmuch as delay will increase the difficulty and cost of enumeration as well as overhead expenses.

Civil Aeronautics Administration

CLAIMS, FEDERAL AIRPORT ACT

For reimbursement, in accordance with section 17 of the Federal Airport Act, as amended, to public agencies for necessary rehabilitation and repair to public airports damaged by Federal agencies, $1,227,140, to remain available until June 30, 1953, as follows: Greensboro-High Point Airport, Greensboro, North Carolina, $197,813; Buffalo Municipal Airport, Buffalo, New York, $594,344; Nantucket Airport, Nantucket, Massachusetts, $57,582; Detroit-Wayne Major Airport, Wayne County, Michigan, $168,689; Adams Field, Little Rock Municipal Airport, Little Rock, Arkansas, $187,072; and Galveston Municipal Airport, Galveston, Texas, $21,640.

Section 17 of the Federal Airport Act, as amended by Public Law 840 (80th Cong.), provides that the Administrator of Civil Aeronautics is authorized on behalf of the United States to consider, ascertain, and determine the actual or estimated cost of the necessary rehabilitation or repair of damage to airports caused by Federal agencies. The certifications of the Administrator to Congress as to the amounts found due are deemed contractual obligations of the United States. The Administrator has adjusted requests covering the six public airports named above and has recently submitted certifications for the amounts found due to the 81st Congress. The amounts of these six certifications total $1,227,140, and this estimate is submitted in that amount in order to make funds available for the rehabilitation and repair work covered by these certifications.

Coast and Geodetic Survey

SALARIES AND EXPENSES, FIELD

For an additional amount for "Salaries and expenses, field," $290,000.

This estimate includes $235,000 to cover increased pay costs resulting from Public Law 900 (80th Cong.) and $55,000 for increased pay and rations allowances for crews of vessels. The increased pay and allowances for crews of vessels will extend to Coast and Geodetic Survey personnel pay increases comparable to those given merchant marine personnel during the past 2 years. It is necessary that funds be available to make these increases effective on March 1, 1949, in order that crews may be recruited for seasonal operations in Alaskan waters.

Bureau of Foreign and Domestic Commerce

EXPORT CONTROL

For an additional amount for "Export control," $1,175,000; and limitations under this head in the Second Deficiency Appropriation Act, 1948, on amounts available for transfer to other appropriations are increased as follows: Bureau of Customs, from "$1,350,000" to "$1,560,000"; Printing and binding, Department of Commerce, from "$62,000" to "$77,000"; and Salaries and expenses, Office of the Secretary of Commerce, from "$45,000" to "$71,000".

This estimate is necessary to provide funds for the continuation of the Government's export control program for the remainder of fiscal year 1949. Included in the estimate is an additional amount to permit strengthening of the enforcement and compliance aspects of the program.

The current appropriation is available only until February 28, 1949, at which time the legislative authority expires. Appropriation of funds is therefore contingent upon the extension of authorizing legislation.

DEPARTMENT OF THE INTERIOR

Office of the Secretary

EXPENSES, POWER TRANSMISSION FACILITIES

For an additional amount for "Expenses, power transmission facilities," $131,000.

The regular 1949 appropriation for this work, which represents the expenses of the Southwestern Power Administration, was intended by the Congress to provide funds only "on an 8-month basis." The supplemental estimate now recommended includes $110,000 to cover the cost of marketing of electric power and energy, engineering and supervision of construction work under contract, and administrative expenses (including personnel costs at rates of pay existing prior to enactment of Public Law 900), for the remaining 4 months of this fiscal year, and $21,000 for the entire fiscal year 1949 cost of salary increases authorized by Public Law 900 (80th Cong.).

Bonneville Power Administration

CONSTRUCTION, OPERATION, AND MAINTENANCE

For an additional amount for "Construction, operation, and maintenance, Bonneville power transmission system," $6,509,000, to remain available until expended; and the limitation under this head in the Interior Department Appropriation Act, 1949, on expenses for operation and maintenance of the Bonneville transmission system, is increased from "$3,231,800" to "$3,543,800"; and the limitations under said head on force account activities and on salaries and expenses in connection with informational work are hereby repealed: *Provided*, That, in addition to the contract authorization contained under said head, the Administrator is authorized to contract in the fiscal year 1949 for materials, equipment, and services for power transmission facilities in an amount not in excess of $1,563,000.

The foregoing estimate is necessary to cover increased costs resulting from redesign of certain electric transmission lines, to meet increases in cost of labor and materials and to provide additional funds for operations and maintenance including salary increases provided by Public Law 900 (80th Cong.). In addition, it is necessary to remove the limitation contained in the Interior Department Appropriation Act, 1949, on salaries and expenses in connection with informational work in order to inform the public more adequately of the Bonneville Power Administration activities within the scope of existing legislation. It is also proposed to remove the percentage limitation on amounts available for construction by force account so as to permit prosecution of work without delay whenever excessive bids are received as well as to better utilize the personnel required to maintain the power transmission system.

BUREAU OF INDIAN AFFAIRS

NAVAJO AND HOPI SERVICE

Agency Services

For an additional amount for "Agency services," $910,000: *Provided,* That after the approval of this Act no payment shall be made from this appropriation to Indians who are eligible for benefit payments under the Social Security Act.

This estimate includes additional funds to meet increased operating costs of schools on the Navajo reservation and to cover a deficiency in the amount that was transferred initially to this appropriation for the operation of Navajo and Hopi schools. The increased costs have resulted from the conversion of a number of day schools to semi-boarding schools in order to meet more adequately the educational needs of the Navajo Indians.

The estimate provides also an additional amount for assistance to needy Navajo Indians who are not eligible for benefits authorized by the Social Security Act. Severe weather in southern California and Arizona has resulted in practically a complete cessation of the employment of Navajo Indians on agricultural work in those areas. This decline in employment opportunities is expected to result in a substantial increase in the number of families requiring temporary assistance.

There is also included in the estimate the sum of $300,000 which is required to meet pay increases authorized by Public Law 900 (80th Cong.).

WELFARE OF INDIANS

For an additional amount for "Welfare of Indians," $385,000: *Provided,* That after the approval of this Act no payment shall be made from this appropriation to Indians who are eligible for benefit payments under the Social Security Act.

The purpose of this estimate is to provide additional funds for assistance to needy Indians except those who are members of the Navajo and Hopi tribes and those who are eligible for benefit payments under the Social Security Act. Heavy snows and low temperatures in many areas and drouth in other areas have resulted in a reduction in employment opportunities for many able-bodied Indians and in hardship to unemployables. As a consequence, the demand for temporary assistance has steadily increased. In addition, there has been an upward adjustment of assistance payments to meet increased living costs. Funds currently available are insufficient to cover these additional burdens.

The estimate also includes $10,000 for pay increases authorized by Public Law 900 (80th Cong.).

BUREAU OF RECLAMATION

RECLAMATION FUND

The following sums are appropriated out of the reclamation fund created by the Act of June 17, 1902, as follows:

General Offices

Salaries and expenses (other than project offices)

For an additional amount for "Salaries and expenses (other than project offices)," $260,000: *Provided*, That in addition to the amount appropriated under this head in the Interior Department Appropriation Act, 1949, there shall be available for expenditure under said head any sums transferred thereto for work performed or to be performed for the benefit of specific projects or undertakings for which other funds or appropriations of the Bureau of Reclamation are available; and the first, fourth, and fifth provisos under said head are hereby repealed.

The Bureau of Reclamation is revising its accounting and reporting system in cooperation with the General Accounting Office, Bureau of the Budget, and Treasury Department. It is proposed to strengthen the fiscal audit and program services within the Bureau of Reclamation to provide for the proper development, installation, and operation of the improved system. For the balance of fiscal year 1949, $75,000 is required for such services and incidental expenses.

Funds in the amount of $185,000 are required for the added cost of pay increases authorized by Public Law 900 (80th Cong.).

The Interior Department Appropriation Act, 1949, continued in the first proviso under this head a limitation of $7,800,000 on the amount transferable to this appropriation for work to be performed for the benefit of specific projects. This limitation restricts the funds to be expended by the Branch of Design and Construction and its allied services in Denver, Colo., where major design work is performed by a specialized staff of engineers. The Bureau's total design load for the fiscal year 1949 is substantially greater than for 1948. An increase in the transferable amount for the Denver office to provide an adequate engineering staff for the preparation of designs and specifications for authorized construction is required to overcome the difficulties experienced in developing and maintaining design staffs in dispersed locations elsewhere in the field.

The act also included in the fourth proviso under this head a limitation of $48,000,000 for administrative and other personal services during the fiscal year 1949, and in the fifth proviso a limitation of 3,500 on the number of employees in grades CAF–9 and P–3 or higher. The program authorized for 1949 together with the additions recommended herewith will require additional personal services, including some at the higher grades, for proper performance of the work on schedule. Also, the pay increase authorized by Public Law 900 (80th Cong.) will result in added costs totaling approximately $3.7 million, requiring a raising of the limitation amounts. The repeal of these restrictive provisos is recommended.

Construction

For additional amounts for "Construction," to remain available until expended, as follows:

Boise project, Idaho, Payette division, $275,000;
Lewiston Orchards project, Idaho, $350,000;
Provo River project, Utah, $500,000, of which $215,000 is for the payment of obligations incurred under authority provided under this head in the Interior Department Appropriation Act, 1948.

For the Boise project, Idaho, Payette division, additional funds in the amount of $275,000 are required for continuation of the construction of laterals under an existing contract. These funds are required to cover contract earnings for this work during the latter part of the fiscal year.

For the Lewiston Orchards project, additional funds in the amount of $350,000 are required due to increased costs of materials and the receipt of contract bids higher than estimated. This will permit continuation of construction without interruption on the domestic and irrigation water distribution systems, with completion scheduled for the fall of 1949.

Additional funds in the amount of $500,000 are required for the Provo River project to complete additional reaches of concrete lining for the Provo Reservoir Canal for required water capacity, to continue construction of power line, transformer stations, and the Duchesne Tunnel, and to meet increased contract earnings on the Salt Lake Aqueduct.

Operation and Maintenance

Colorado-Big Thompson project, Colorado

For an additional amount for "Colorado-Big Thompson project," from power revenues, $52,000.

North Platte project, Nebraska-Wyoming

For an additional amount for "North Platte project, Nebraska-Wyoming," from power revenues, $17,500.

Kendrick project, Wyoming

For an additional amount for "Kendrick project, Wyoming," from power revenues, $131,000.

These appropriations of power revenues are required principally for the purchase of power to meet deficiencies in supply for the Colorado, Wyoming, and western Nebraska area interconnected by Bureau of Reclamation facilities. Purchased power will be resold to project customers at rates sufficient to cover the cost of the power and incidental expenses related to its transmission. In addition, funds are required to meet the costs of pay increases provided by Public Law 900 (80th Cong.). Amounts included above for pay increases are as follows: Colorado-Big Thompson project, $2,000; North Platte project, $7,500; and Kendrick project, $6,000.

Emergency Fund

For establishing an emergency fund, as authorized by the Act of June 26, 1948 (Public Law 790), $1,000,000, to remain available until expended for the purposes specified in said Act.

Public Law 790, approved June 26, 1948, was passed subsequent to consideration of the Budget for the fiscal year 1949. It provides for the appropriation from the reclamation fund of an emergency fund to be available for defraying expenses which the Commissioner of Reclamation determines are required to be incurred because of unusual or emergency conditions. In view of its purpose the fund should be made available immediately.

GENERAL FUND

Construction

For additional amounts for "Construction," to remain available until expended, as follows:

Davis Dam project, Arizona-Nevada, $5,000,000;
Colorado-Big Thompson project, Colorado, $2,000,000;
Columbia Basin project, Washington, $5,000,000.

For the Davis Dam project, supplemental funds in the amount of $5,000,000 are required to permit normal progress on work under construction and to permit the purchase of essential materials and equipment during fiscal year 1949 in order to avoid serious delays in the 1950 construction program. The additional amount will permit continued clearing of the reservoir site, ordering of structural steel, continued construction of the power plant, payment of progress earnings on electrical equipment now under contract, ordering of other electrical and mechanical equipment, and orderly continuation of construction of transmission lines and substations.

For the Colorado-Big Thompson project, an additional amount of $2,000,000 is required for estimated contract earnings during the last 3 months of fiscal year 1949 on Granby dam and pumping plant, Horsetooth feeder canal, Estes Park power system, and the transmission facilities, and to initiate construction of the Estes Park-Foothills power system. With the exception of the Estes Park-Foothills power feature, these estimates of earnings are on work now under contract or to be placed under contract where necessary in conjunction with scheduled progress on going work.

For the Columbia Basin project, additional funds in the amount of $5,000,000 are required in fiscal year 1949 to meet progress payments on and to maintain installation schedules of additional generating units at Grand Coulee power plant. The allocation of $11,100,000 to power facilities for this project for fiscal year 1949 is sufficient to continue the work on these facilities only through February 1949. In view of the critical shortage of power in the Pacific Northwest, these additional funds should be provided at this time so that there will be no disruption of scheduled installations of generators on this project.

Missouri River Basin

For an additional amount for "Missouri River Basin," reimbursable to the extent and as provided in the Act of December 22, 1944 (58 Stat. 887), $5,100,000, to remain available until expended.

These funds are required to meet progress payments on going work and include $750,000 for the Angostura storage system, $4,000,000 for the Boysen Dam and the Chicago, Burlington, and Quincy Railroad relocation, and $350,000 for the Kortes Dam and power plant. The allocations of available funds to these projects are insufficient to permit the continuation of work throughout the remainder of fiscal year 1949. Provision of these additional amounts will permit orderly progress without disruptive shut-downs or severe curtailment of operations.

FORCE ACCOUNT WORK

That part of the Interior Department Appropriation Act, 1949, which reads "not exceeding 8 per centum of the construction appropriation for any project under the Bureau of Reclamation contained in this Act shall be available for construction work by force account, or on a hired labor basis, except for projects or items the estimated construction cost of which does not exceed $200,000, and only then in cases where the Bureau of Reclamation finds the lowest bids to be excessive" is hereby repealed.

The Interior Department Appropriation Act, 1949, included a proviso that not exceeding 8 percent of the construction appropriation for any project under the Bureau of Reclamation contained in the act shall be available for construction work by force account. The Bureau of Reclamation has found by experience that certain work may be performed more economically and expeditiously by force account. While the volume of such force account operations is small in relation to the total program, the proportion of such work varies in respect to the individual appropriations. Repeal of the restrictive proviso is recommended.

NATIONAL MILITARY ESTABLISHMENT

Department of the Army—Civil Functions

CORPS OF ENGINEERS

Rivers and Harbors and Flood Control

The limitation under this head in the Civil Functions Appropriation Act, 1949, on the amount available for payment of salaries in the Office of the Chief of Engineers, is increased from "$1,250,000" to "$1,341,740".

This increase in limitation is required for the added cost of the pay increase authorized by Public Law 900 (80th Cong.), and early authorization thereof is necessary to permit maintenance of the present staff during the balance of the year.

Rivers and Harbors

Maintenance and improvement of existing river and harbor works

For an additional amount for "Maintenance and improvement of existing river and harbor works," $11,500,000, to remain available until expended.

The funds are necessary for carrying forward Columbia River Basin hydroelectric power projects urgently required in the critical power shortage area of the Pacific Northwest, and include $8,000,000 for McNary Lock and Dam, $1,500,000 for Ice Harbor Lock and Dam, and $2,000,000 for Chief Joseph (Foster Creek) Dam. The amount

for McNary Lock and Dam, which is now under construction, is required to initiate work on the south shore cofferdam and relocation of the south shore railroad, and for earning requirements during the latter part of fiscal year 1949 on the existing contract for construction of the north shore works, including the navigation lock and a section of the spillway. The amounts for Ice Harbor Lock and Dam and Chief Joseph Dam are required for initiation of construction of these two projects, including access roads, temporary housing, and other necessary preliminary operations. Early availability of these funds will permit full utilization of the 1949 working season and orderly and economical construction progress on these important and much needed improvements.

Flood Control

Flood control, general

For an additional amount for "Flood control, general," $16,000,000, to remain available until expended.

These additional funds are necessary for continuation of construction of certain going hydroelectric power projects and include $7,000,000 for Wolf Creek Reservoir, Ky., and $1,500,000 for Center Hill Reservoir, Tenn., in the Cumberland River Basin; $2,000,000 for Detroit Reservoir, Oreg., in the Columbia River Basin; $2,500,000 for Fort Gibson Reservoir, Okla., in the Arkansas River Basin; $1,500,000 for Buggs Island Reservoir, Virginia and North Carolina, in the Roanoke River Basin; and $1,500,000 for Clark Hill Reservoir, Ga., in the Savannah River Basin.

The funds for the Wolf Creek, Center Hill, and Detroit projects are required to ensure the generation of additional electric energy in the critically short power areas of the Tennessee Valley and Pacific Northwest at the earliest practicable dates. The funds for Fort Gibson, Buggs Island, and Clark Hill Reservoirs are required to meet anticipated earning requirements under existing large-scale contracts, and to prevent stoppage or curtailment of operations on these power projects at the outset of the working season.

Flood control, general (emergency fund)

For an additional amount for "Flood control, general (emergency fund)," as authorized by the Flood Control Act of 1948 (Public Law 858, approved June 30, 1948), $2,500,000, to remain available until expended.

These additional funds are for completion of repair, restoration, and strengthening of levees and related urgent flood control work in the Columbia Basin made necessary by the disastrous floods of May-June 1948. Early availability of the funds is essential in order to restore protective works to a satisfactory condition insofar as possible prior to the 1949 flood season.

POST OFFICE DEPARTMENT

(Out of the postal revenues)

The Postmaster General by letter of January 12, 1949, has revised his previous estimates of postal revenue and supplemental requirements for the fiscal year 1949. The revised revenue forecast, and in

some instances the revised supplemental estimates for 1949, are greater than the amounts set forth in the 1950 Budget. The larger supplemental requirements are supported in part by the increased volume in postal business indicated by the new revenue estimate, and in part by other factors such as increased prices, unforeseen increases in contract rates, and air transportation rate increases recently granted by the Civil Aeronautics Board.

FIELD SERVICE, POST OFFICE DEPARTMENT

OFFICE OF THE POSTMASTER GENERAL

Damage Claims

For an additional amount for "Damage claims," $250,000.

This supplemental estimate is necessary to pay the increased number of damage claims submitted under the Federal Tort Claims Act and settlement and compromise awards made under section 413 of the same act.

OFFICE OF THE SECOND ASSISTANT POSTMASTER GENERAL

Railroad Transportation and Mail Messenger Service

For an additional amount for "Railroad transportation and mail messenger service," $70,000,000.

A supplemental estimate was submitted to the Congress in May 1948 under this head, principally to meet mail transportation rate increases granted by the Interstate Commerce Commission in December 1947. Action thereon was deferred by the Congress for later consideration. Of the total estimate now submitted, $43,622,700 represents the cost of such transportation rate increases for the fiscal year 1949, and $26,377,300 for additional car space requirements resulting from increased mail volume and higher rates for other contractual services.

Railway Mail Service, Travel Allowance

For an additional amount for "Railway mail service, travel allowance," $2,727,000.

This supplemental estimate is necessary to provide for the increase of $2 per day in travel allowance for regular and substitute railway postal clerks authorized by Public Law 687 (80th Cong.), and for 18,083 additional travel days resulting from increased mail volume.

Foreign Air Mail Service

For an additional amount for "Foreign air mail service," $17,000,000.

This supplemental estimate is required because of rate increases for transporting the mails recently authorized by the Civil Aeronautics Board, and the greater volume resulting primarily from the inauguration of air parcel post to foreign countries.

OFFICE OF THE FOURTH ASSISTANT POSTMASTER GENERAL

Vehicle Service

For an additional amount for "Vehicle service," $13,000,000.

A supplemental estimate in the amount of $6,752,000 was submitted to Congress in May 1948 under this head. Action thereon was deferred by the Congress for later consideration. The $6,248,000 increase in the present estimate over the previous submission results from the pay increase of $3,118,062 authorized by Public Law 900 (80th Cong.), and from various other factors related to the higher estimated mail volume and increased prices.

TREASURY DEPARTMENT

Fiscal Service

BUREAU OF ACCOUNTS

Payment of Certified Claims

For an additional amount for "Payment of certified claims," $2,300,000.

This appropriation permits the Treasury Department to pay claims, in an amount not exceeding $500, which have been certified by the Comptroller General to be lawfully due, within the limits of, and chargeable against, the balance of appropriations which have been carried to the surplus fund of the Treasury.

During the fiscal year 1948, 22,489 claims amounting to $1,699,237 were settled and paid. The appropriation for the fiscal year 1949 amounting to $800,000 was exhausted as of December 1, 1948, and permitted the settlement and payment of 8,350 claims. Additional claims are being received and processed daily by the General Accounting Office, which, on November 23, 1948, reported that it was holding claims totaling $864,000 which were ready for certification as soon as funds were made available. The Comptroller General estimated that the cost of claims to be settled during the second half of fiscal year 1949 will approximate $1,500,000.

The Treasury Department has no administrative control over these claims but must pay them when they are so certified by the Comptroller General.

Refund of Moneys Erroneously Received and Covered

For an additional amount for "Refund of moneys erroneously received and covered," $800,000.

This appropriation is available only to pay claims, pursuant to certificates of settlement issued by the General Accounting Office, to persons or agencies whose funds are inadvertently covered into the general fund of the Treasury. The appropriation for the fiscal year 1949 is $700,000, and as of December 31, 1948, the Treasury Department had actually paid 1,236 claims amounting to $663,180. The General Accounting Office estimates that an additional $800,000 will be required to pay claims to be processed during the latter half of the fiscal year 1949.

BUREAU OF THE MINT

SALARIES AND EXPENSES

For an additional amount for "Salaries and expenses," $266,200: *Provided,* That appropriations under this head for the fiscal year 1949 shall be available for paying wage increases effective from the date of approval by the Treasury Department.

This supplemental estimate includes $115,600 needed to pay the cost of wage increases approved by the Treasury Department Wage Board for per hour employees, in order to adjust their wages to the prevailing rates in the several areas where they are employed. The Treasury Wage Board, on the basis of detailed surveys, completed in each of the regions in which Mint institutions are located, approved wage increases to be effective at various dates, the earliest of which was September 30, 1948, for the Denver Mint. The estimate contemplates that the Bureau of the Mint will pay the wage increases retroactively to the effective date in each area.

There is also included $150,600 to meet the cost of pay increases to classified employees pursuant to Public Law 900 (80th Cong.).

BUREAU OF FEDERAL SUPPLY

SALARIES AND EXPENSES

For an additional amount for "Salaries and expenses," $189,700.

This supplemental estimate includes $95,000 to enable the Bureau of Federal Supply to assume the duties which reverted to it under the provisions of the Supplemental Independent Offices Appropriation Act, 1949, for coordinating and supervising the disposal of Federal surplus personal property. Because the above-mentioned act did not become law until June 30, 1948, there was no opportunity to obtain an appropriation to finance these activities. Proceeds from the sale of surplus property are now being utilized to finance limited operations. This method of financing while approved by the Comptroller General as a temporary expedient, destroys the opportunity for proper budgetary and appropriation review by Congress and the Executive and is undesirable. The Comptroller General's approval, above-mentioned, was given only with the understanding that a request for funds would be presented to the Congress at the first opportunity.

There is also included $94,700 to meet the cost of pay increases pursuant to Public Law 900 (80th Cong.) for the other employees paid from this appropriation.

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81st Congress, 1st Session | HOUSE OF REPRESENTATIVES | Document No. 50

REVISED ESTIMATE OF APPROPRIATION FOR THE HOUSING EXPEDITER

COMMUNICATION

FROM

THE PRESIDENT OF THE UNITED STATES

TRANSMITTING

REVISED ESTIMATE OF APPROPRIATION FOR THE FISCAL YEAR 1949, INVOLVING AN INCREASE OF $375,000 FOR THE HOUSING EXPEDITER

FEBRUARY 2, 1949.—Referred to the Committee on Appropriations and ordered to be printed

THE WHITE HOUSE,
Washington, February 1, 1949.

The SPEAKER OF THE HOUSE OF REPRESENTATIVES.

SIR: I have the honor to transmit herewith for the consideration of Congress a revised estimate of appropriation for the fiscal year 1949, involving an increase of $375,000 for the Housing Expediter.

The details of the estimate, the necessity therefor, and the reasons for its submission at this time are set forth in the letter of the Director of the Bureau of the Budget, transmitted herewith, in whose comments and observations thereon I concur.

Respectfully yours,

HARRY S. TRUMAN.

EXECUTIVE OFFICE OF THE PRESIDENT,
BUREAU OF THE BUDGET,
Washington 25, D. C., February 1, 1949.

The PRESIDENT,
The White House.

SIR: I have the honor to submit herewith for your consideration a revised estimate of appropriation for the fiscal year 1949 involving an increase of $375,000 for the Housing Expediter. The estimate for salaries and expenses of the Housing Expediter contained in my letter

of January 24, 1949 (H. Doc. 44, 81st Cong.), should be deleted and an estimate inserted in lieu thereof, as follows:

INDEPENDENT OFFICES

Housing Expediter

SALARIES AND EXPENSES

For an additional amount for "Salaries and expenses, Office of the Housing Expediter," $7,450,000.

In my letter of January 24, 1949, I recommended an increase of $7,075,000 in the budget estimate for the Housing Expediter for the fiscal year 1949. This estimate was based upon information then available which indicated that the amount would be required to permit the Housing Expediter to perform the several functions assigned to him during the last quarter of the current fiscal year. The estimate contemplated the cessation of the veterans' affairs program on March 31, 1949, and included $83,400 for the liquidation of this activity by June 30, 1949. Subsequently, the Housing Expediter completed the analysis of a work-load study for this program. He has submitted data which demonstrate that veterans' complaints pertaining to dwelling units purchased by them and which were constructed with priority assistance are continuing to be received in considerable volume making it necessary to continue this program until at least June 30, 1949.

An additional appropriation of $375,000 is necessary in order to permit expeditious processing of a large backlog of complaints and to provide for the immediate handling of new complaints during the last quarter of the current fiscal year. The above estimate of $7,450,000 includes the increase of $375,000; herein recommended as well as the increase of $7,075,000 recommended in my letter of January 24, 1949.

I recommend that the foregoing revised estimate of appropriation be transmitted to the Congress.

Respectfully yours,

Frank Pace, Jr.,
Director of the Bureau of the Budget.

81st Congress, 1st Session } HOUSE OF REPRESENTATIVES { Document No. 54

SUPPLEMENTAL ESTIMATES OF APPROPRIATION FOR THE LEGISLATIVE BRANCH, ARCHITECT OF THE CAPITOL

COMMUNICATION

FROM

THE PRESIDENT OF THE UNITED STATES

TRANSMITTING

SUPPLEMENTAL ESTIMATES OF APPROPRIATION FOR THE FISCAL YEAR 1949 IN THE AMOUNT OF $8,274,500, FOR THE LEGISLATIVE BRANCH, ARCHITECT OF THE CAPITOL

FEBRUARY 3, 1949.—Referred to the Committee on Appropriations and ordered to be printed

THE WHITE HOUSE,
Washington, February 3, 1949.

The SPEAKER OF THE HOUSE OF REPRESENTATIVES.

SIR: I have the honor to transmit herewith for the consideration of Congress supplemental estimates of appropriation for the fiscal year 1949 in the amount of $8,274,500, for the legislative branch, Architect of the Capitol.

The details of these estimates are set forth in the accompanying letter of the Director of the Bureau of the Budget.

Respectfully yours,

HARRY S. TRUMAN.

EXECUTIVE OFFICE OF THE PRESIDENT,
BUREAU OF THE BUDGET,
Washington 25, D. C., February 2, 1949.

The PRESIDENT,
The White House.

SIR: I have the honor to submit herewith for your consideration supplemental estimates of appropriation in the amount of $8,274,500 for the fiscal year 1949, for the legislative branch, Architect of the Capitol, as follows:

LEGISLATIVE BRANCH

ARCHITECT OF THE CAPITOL

CAPITOL BUILDINGS AND GROUNDS

Capitol Building, Senate and House Roofs and Chambers

For an additional amount to enable the Architect of the Capitol to carry forward the improvements affecting the House wing of the Capitol authorized by the Second Deficiency Appropriation Act of June 27, 1940 (54 Stat. 629), as amended by the Acts of June 8, 1942 (56 Stat. 342), and July 17, 1945 (59 Stat. 472), $2,274,500. The Architect of the Capitol is authorized to enter into contracts, including cost-plus-a-fixed-fee contracts as approved by the Special Committee on Reconstruction of House Roof and Skylights and Remodeling of House Chamber, and to make such other expenditures as may be necessary for the improvements affecting the House wing of the Capitol authorized by such Acts, in such amounts as may be approved by the House committee appointed under section 1 of the Act of July 17, 1945, notwithstanding the provisions of section 2 of that Act: *Provided*, That the amounts so approved by such committee may be obligated in full prior to the actual appropriation thereof.

Extension and Completion of the United States Capitol

To enable the Architect of the Capitol to provide for the extension and completion of the United States Capitol, under the direction of a commission to be known as the Commission for the Extension and Completion of the United States Capitol and to be composed of the President of the Senate, the Speaker of the House of Representatives, the chairman and the ranking minority member of the Senate Committee on Public Works, the chairman and the ranking minority member of the House Committee on Public Works, the minority leader of the Senate, the minority leader of the House of Representatives, and the Architect of the Capitol, and in substantial accordance with scheme B of the architectural plan submitted by the joint commission of Congress and reported to Congress on March 3, 1905 (House Document Numbered 385, Fifty-eighth Congress, third session), with such modifications as the Commission herein created may determine, and excepting so much of said plan as related to a sculptural group in the pediment of the House wing and excepting so much of said plan as relates to the west front of the Capitol and to the two broad flights of terrace steps on the west of the Capitol, $6,000,000, to remain available until expended: *Provided*, That the Architect of the Capitol, under the direction of the commission, is authorized, without regard to the provisions of section 3709 of the Revised Statutes, as amended, to enter into contracts and to make such other expenditures as may be necessary for materials, supplies, equipment, accessories, advertising, travel, personal and other services, and any other items required for the proper completion of the project.

These being estimates for the legislative branch, I make no observation regarding their necessity.

Respectfully yours,

FRANK PACE, JR.,
Director of the Bureau of the Budget.

81st Congress, 1st Session | HOUSE OF REPRESENTATIVES | Document No. 58

REVISED DRAFT OF A PROPOSED PROVISION AND REVISED ESTIMATE OF APPROPRIATION FOR THE DEPARTMENT OF AGRICULTURE

COMMUNICATION

FROM

THE PRESIDENT OF THE UNITED STATES

TRANSMITTING

A REVISED DRAFT OF A PROPOSED PROVISION AND A REVISED ESTIMATE OF APPROPRIATION FOR THE FISCAL YEAR 1949, INVOLVING A DECREASE OF $4,265,500 FOR THE DEPARTMENT OF AGRICULTURE

FEBRUARY 7, 1949.—Referred to the Committee on Appropriations and ordered to be printed

THE WHITE HOUSE,
Washington, February 3, 1949.

The SPEAKER OF THE HOUSE OF REPRESENTATIVES.

SIR: I have the honor to transmit herewith for the consideration of Congress a revised draft of a proposed provision and a revised estimate of appropriation for the fiscal year 1949, involving a decrease of $4,265,500 for the Department of Agriculture.

The details of this proposed provision and revised estimate, the necessity therefor, and the reasons for their submission at this time are set forth in the letter of the Director of the Bureau of the Budget, transmitted herewith, in whose comments and observations thereon I concur.

Respectfully yours,

HARRY S. TRUMAN.

EXECUTIVE OFFICE OF THE PRESIDENT,
BUREAU OF THE BUDGET,
Washington 25, D. C., February 3, 1949.

The PRESIDENT,
The White House.

SIR: I have the honor to submit herewith for your consideration a revised draft of a proposed provision and a revised estimate of appropriation for the fiscal year 1949, involving a decrease of $4,265,500 for the Department of Agriculture. The proposed provision for "Printing and binding" and the estimate for "Conservation and use of agricultural land resources," contained in my letter of January 24, 1949 (H. Doc. 44, 81st Cong.), should be deleted and revisions inserted in lieu thereof, as follows:

DEPARTMENT OF AGRICULTURE

OFFICE OF INFORMATION

PRINTING AND BINDING

The limitation under this head in the Department of Agriculture Appropriation Act, 1949, on the amount which may be transferred to this appropriation from other appropriations of the Department of Agriculture, is increased from "$145,000" to "$170,500".

PRODUCTION AND MARKETING ADMINISTRATION

CONSERVATION AND USE OF AGRICULTURAL LAND RESOURCES

For an additional amount for "Conservation and use of agricultural land resources," for formulating and carrying out programs under the Agricultural Adjustment Act of 1938, as amended, including cotton and wheat marketing quota programs, $9,734,500; and the limitation under this head in the Department of Agriculture Appropriation Act, 1949, on the amount available during the fiscal year 1949 for salaries and other administrative expenses, is increased from "$24,500,000" to "$34,234,500"; and the limitation under said head on the amount available for transfer to the appropriation account "Administrative expenses, section 392, Agricultural Adjustment Act of 1938" is increased from "$7,000,000" to "$8,284,000".

In consonance with the reduction hereafter recommended in the amount previously submitted for establishing certain marketing quotas under the Agricultural Adjustment Act of 1938, as amended, it is proposed to decrease the related printing and binding estimate by $75,000. This is indicated in a reduction, from $245,500 to $170,500, in the amount which may be transferred to the departmental appropriation for "Printing and binding" from other appropriations of the Department, and reflects the amount now estimated to be required to print necessary forms in connection with the revised quota program outlined immediately below.

At the time it was originally recommended that the estimate of $14,000,000 for quota work be transmitted to the Congress, it was contemplated that acreage allotments or marketing quotas would be in effect on the 1949 corn crop and the 1950 crops of corn, cotton, wheat, and rice. Since that time, however, it has been determined that no adjustment in production will be required on the 1949 crop of corn, and a proclamation has been issued by the Department of Agriculture announcing that no acreage allotments or marketing quotas will be in effect.

The Agricultural Adjustment Act of 1938, as amended, provides that adjustments be made for current trends in the consumption of corn. After making adjustments for increased domestic needs and for military and foreign relief and rehabilitation purposes, it is estimated that the total requirements for corn for 1949–50 will be about 3.2 billion bushels as compared with a total supply of 3.7 billion bushels. If livestock, dairy, and poultry production is to be stabilized at desirably high levels and other likely domestic and foreign demands are to be met, it will be necessary to build up and maintain large reserves of corn and other grains. Assuming that the proposed goal of approximately 86,000,000 acres for corn will produce an average yield, the supply situation will not be such that adjustment in production will be necessary on the 1949 crop.

The Department of Agriculture states that it has been decided to defer work on rice quotas until the fiscal year 1950, since there will be sufficient time after the beginning of that fiscal year to perform necessary work in preparation for acreage allotments in the crop year 1950. The revised supplemental estimate therefore includes funds to cover the cost of work on only cotton and wheat.

I recommend that the proposed revisions be transmitted to the Congress.

Respectfully yours,

FRANK PACE, JR., *Director.*

81st Congress, 1st Session } HOUSE OF REPRESENTATIVES { Report No. 111

FIRST DEFICIENCY APPROPRIATION BILL, 1949

February 14, 1949.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. Kerr, from the Committee on Appropriations, submitted the following

REPORT

[To accompany H. R. 2632]

The Committee on Appropriations submits the following report in explanation of the accompanying bill making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1949, and for other purposes.

The estimates upon which the bill is based are contained in House Documents Nos. 35, 38, 40, 44, 50, 54, and 58.

SCOPE AND PURPOSE OF THE BILL

Estimates considered by the committee totaled $480,884,577.52 and the appropriations recommended are $466,882,177.52, a reduction of $14,002,400. Of the total recommended, $151,000,000 is necessary to carry out obligations under the public assistance grant-in-aid program administered by the Federal Security Agency and is directly traceable to the enactment, by the Eightieth Congress, of Public Law 642, which was passed after the Budget for the fiscal year 1949 had been considered by the Congress. $102,977,000 is necessary

for the postal service to meet its obligations on account of increased transportation rates over which it has no control and to carry an unprecedented volume of mail. Veterans' benefits require additional amounts totaling $99,379,000. The increased compensation of the President, under recent law, requires $33,437.52. These categories total $353,389,437.52, leaving a total, subject to some reduction, of $127,495,140, out of which the committee has effected reductions of $14,002,400. Other items, especially certain of those under the Department of the Army and the Bureau of Reclamation, are of such a nature that to effect substantial reductions would be impractical and such reductions would only serve to postpone necessary appropriations for continuing projects with an eventual added cost to the Government.

Architect of the Capitol

Capitol Building.—About 10 years ago it was discovered that the roofs over the Senate and House chambers had so weakened that it was necessary to install temporary supports pending the time complete reconstruction would be feasible. An initial appropriation contemplated only reconstruction with no changes in design and is now inadequate because of increased costs and also because a new and better plan has been developed and an additional amount of $2,274,500 is required. The improvements for the Senate were appropriated for in the Eightieth Congress and a contract has been entered into looking toward construction during the recess immediately following the first session of the Eighty-first Congress. The Architect of the Capitol advises that it is advantageous to undertake the reconstruction of the House Chamber at the same time and therefore has recommended that the appropriation be made immediately so that economies resulting from simultaneous construction can be taken advantage of. After considering the matter the committee is convinced that, inasmuch as the work must be done at the earliest practical date, the Architect's recommendation should be followed.

Office of Defense Transportation

The committee is including in the accompanying bill the amount of $95,000, the budget estimate, for the Office of Defense Transportation. The life of this agency was extended until June 30, 1949, by the enactment of Public Law 606 (80th Cong.) and it is to continue during this period to control policies and programs with respect to the allocation of the use of transportation equipment and facilities by rail carriers. While the committee is anxious to have all war-created organizations liquidated as early as possible, it appears that the situation surrounding the allocation and transportation of critical materials is such as to justify the continuance of this organization until June 30, 1949. In addition, this agency is being called upon by delegation of authority from the Secretary of Commerce to continue the allocation of steel for freight-car construction and the construction and repair of domestic freight-carrying barges.

Displaced Persons Commission

The bill includes the amount of $1,200,000, a reduction of $300,000 in the budget estimates, for this activity. The Congress originally

appropriated $2,000,000 for this purpose with a subsequently enacted proviso that the sum could be obligated and expended during the first three quarters of the fiscal year. This was done in order that the activity might be started as early as possible, but also to afford the Congress more time in which to study in greater detail the financial requirements of the Commission. It was testified that the Commission was late in getting organized and that only the amount of $926,000 has been obligated through January 31. Expenditures for this period approximate $270,000. While it is evident that the same amount of work—that is, processing over 200,000 applications for admittance under the Displaced Persons Act—must be accomplished within a shorter period of time than originally contemplated, it seems to the committee that regardless of the amount of funds available expansion of this activity can proceed only at a certain pace if it is to be orderly. Furthermore, it is believed that the Commission can and should exert greater effort in securing the cooperation of the Army in the occupied zone of Germany where the displaced persons camps are located. This would apply especially to investigations and certain administrative matters. The committee is decreasing the limitation for the purchase of automobiles from the requested 75 to 35 with the thought that some reasonable arrangement can be made with the Army for additional rentals of automobiles. While the Government is being represented abroad by a number of individual agencies they are serving one Government and all should make every effort to coordinate their activities in order to secure the maximum efficiency and economy of operation.

Federal Security Agency

SOCIAL SECURITY ADMINISTRATION

Grants to States for public assistance.—The amount of $151,000,000, the budget estimate, is recommended for this activity. The principal reason for this added amount is the enactment by the Eightieth Congress of Public Law 642, increasing the Federal share of the contributions for old-age assistance and aid to the blind and for aid to dependent children. With respect to the first item, the Federal contribution is increased from two-thirds of the first $15 per recipient, plus half the balance of all payments up to a maximum of $45 for each recipient to three-fourths of the first $20 per recipient, plus half the balance of all payments up to a maximum of $50 per recipient. For aid to dependent children, the contribution is increased from two-thirds of the first $9 per child, plus half the balance of all payments up to a maximum of $24 for the first child and $15 for each additional child in a family to three-fourths of the first $12 per child, plus half the balance of all payments up to a maximum of $27 for the first child and $18 for each additional child in a family.

The average Federal contribution for old-age assistance has been increased from $37.12 in 1948 to an estimated $42.25 in 1949. The average Federal contribution for aid to dependent children has been increased from $25.15 in 1948 to $27.73 in 1949. Aid to the blind has been increased from an average Federal contribution of $39.75 in 1948 to $44.75 in 1949. These amendments to the Social Security Act account for approximately $140,000,000 of the amount recommended. The balance of $11,000,000 is attributed to higher average payments

resulting from the increased cost of living and from the increase in the number of recipients. The number of persons over 65 years of age, for instance, is now approximately 11,000,000 recipients, and the number seems to be increasing steadily. It is estimated that by 1960 this total will approximate 14,000,000. It should be remembered that approximately 20,000,000 of agricultural workers, domestic servants and self-employed are not covered by old-age and survivors insurance, making this type of assistance necessary.

Grants to States for unemployment compensation and employment service.—The budget estimate, $4,987,000, is being recommended for this item. Of the amount being recommended, $1,025,000 is for salary increases authorized in 6 States since enactment of the fiscal year 1949 appropriation bill. The balance is for additional work load in the State unemployment compensation and employment offices. The fiscal year 1949 appropriation for this activity will provide for an average employment of approximately 35,000 during the balance of the fiscal year. The added funds recommended herein will permit the States to increase the total average employment to approximately 38,000. It is believed that the amount herein recommended, together with an increased application of flexibility as between the unemployment compensation and employment services should enable the States to make some headway in reducing the present backlog of work.

The committee is advised by the Bureau of the Budget that the present estimate is based on work loads as of November 30, 1948, and that it is at the present time reviewing developments since that date. Testimony presented by representatives of a number of State agencies points to a continually increasing work load and costs of operation. The committee is arranging for an immediate study by its own staff of financial requirements with the view of subsequently making such adjustments as the facts may warrant.

BUREAU OF EMPLOYEES' COMPENSATION

War Claims Act, administrative expenses.—The committee recommends the amount of $35,000, the budget estimate, for the necessary expenses of this activity. These funds are to be derived by transfer from the war-claims fund established pursuant to the provisions of the War Claims Act of 1948.

Employees' compensation fund.—The committee is including in the accompanying bill the full amount of the budget request, $3,400,000, for the fund. Of this amount $600,000 is estimated as necessary for the payment of retroactive adjustments of compensation awards for disability and death of employees of contractors engaged on Government projects as authorized by the War Claims Act of 1948. Testimony indicated the number of cases involved under this provision of the act approximates 1,360. Whatever payments are made under the terms of the act will be reimbursed to the general fund of the Treasury from the war-claims fund. The remaining $2,800,000 is for the regular compensation program made necessary by increased medical costs and the increase in the cumulative number of permanent disability cases on the rolls. The original estimate on which the 1949 appropriation is based was for some 80,000 cases whereas present indications, according to testimony, are that the case load will approximate 84,000.

Housing and Home Finance Agency

Federal Housing Administration.—As a result of the enactment of the Housing Act of 1948, which added new programs and amended a number of the then existing provisions of the housing law, a supplemental estimate for administrative expenses of $4,800,000 was submitted. The committee is approving the amount of $4,000,000, which, together with the $19,000,000 presently available, will give the Administration a total of $23,000,000. The expenses of administration, for which these funds are provided, are derived from the corporate earnings of the Administration and do not come out of the general fund of the Treasury. The budget estimate contemplates the amount of $1,430,000 for pay increases under Public Law 900 and the balance of $3,370,000 to handle the additional work load as a result of the enactment of new legislation. It was testified that the estimated work load, on which the original fiscal year 1949 request was based, was 341,500 unit applications but, with the passage of the Housing Act, the unit applications are being received at a yearly rate of 541,000. It was testified that 47 percent of the estimated 541,000 applications has actually been received during the first 6 months of the fiscal year and that, normally, the larger volume comes in the spring months which would be the last half of the current fiscal year. The estimated income of the agency for the fiscal year is, likewise, increased from the original $50,000,000 to the present estimate of $70,000,000. It may be stated that some of the legislative provisions which created the additional work load for this agency are: (1) renewal of title VI provisions insofar as rental housing is concerned; (2) inclusion of a new section known as section 203 (d), to stimulate production and financing of lower-priced homes; (3) inclusion of four sections dealing with cooperative housing; (4) inclusion of title VII which provides for yield insurance on investments in rental properties; and (5) inclusion of section 611, providing for production financing for a large volume of medium-priced or lower-priced housing.

Housing Expediter

Salaries and expenses.—The bill includes the amount of $4,800,000, a reduction of $2,650,000 in the budget estimates. The amount allowed will provide $1,200,000 for salary increases under Public Law 900 and $3,600,000 for continuing the activity through the month of May. The budget estimate of $7,450,000, considered by the committee, contemplated the enactment of additional legislation; more specifically, the features contained in H. R. 1731. It is the sense of the committee that appropriations cannot be made on such indeterminate grounds since neither the committee nor the Administration knows exactly in just what form this legislation will be finally enacted. It would appear, however, that some type of legislation covering this activity will be passed. The amount included in the accompanying bill will enable the Expediter to continue operations pending the enactment of this legislation and, in addition, afford adequate time for the formulation of revised budget estimates based on facts and requirements of the law as extended and amended. The appropriation recommended will enable the Expediter to continue operations at the present level.

Tennessee Valley Authority

The bill includes a total of $2,950,000 for the Tennessee Valley Authority. Of this amount $2,500,000 is for the beginning of construction of the New Johnsonville steam plant and $450,000 for two additional hydroelectric generating units at existing TVA dams. The increase in hydrogenerated power as a result of increasing development of multiple-purpose projects has decreased the percentage of power provided by steam plants from an estimated 30 percent of the total power generated in 1935 to 17 percent of the total power generated in 1949 and, even with the New Johnsonville steam plant, the percentage will only approximate 20 percent of the total power generated. The committee is convinced, on the basis of testimony presented, that if the Government is to make full utilization of the natural resources and of its investment in that area an additional steam plant of the capacity indicated is fully justified.

This is a rapidly developing area with consumption of electrical power having almost doubled in the 3½ years between July 1945 and December 1948. The TVA being a Federal project should, it seems, be made as successful and as economical an operation as possible. The Authority estimates that by 1952 the peak demand on the facilities in that area will approximate 3,230,000 kilowatts, whereas the system as presently constituted can make available only 2,956,000 kilowatts, or a deficiency of 274,000 kilowatts. The New Johnsonville steam plant, it is anticipated, will make up for this deficiency as well as provide for some reserve which is necessary in this type operation. The great variation in the flow of the rivers of the system makes it necessary for the Government to firm up the hydrogenerated power in order to provide for as uniform deliveries as possible.

The budget estimate contemplated expenditure of $3,000,000 on the New Johnsonville plant during the remainder of the year, but the committee is not convinced that construction can be undertaken in time to utilize the full amount of the estimate and has therefore made a reduction of $500,000.

Veterans' Administration

The bill includes $99,379,000 for the Veterans' Administration. Included in this amount is $55,000,000 to cover unanticipated requirements for national service life insurance, most of which were caused by claims originating in the Philippine Republic. Of the latter amount of $55,000,000, the amount of $17,740,000 is being shifted from the fiscal 1950 estimate of requirements to the fiscal year 1949. This deficiency is attributable entirely to amendments to the authorizing act approved by the Eightieth Congress subsequent to the consideration of the regular estimates for the fiscal year 1949. The entire estimate has been based on experience during the first 5 months of the fiscal year, and it was testified by the Administration that there is no reason to believe there be any decrease in the claims load during the remaining 7 months.

The amount of $190,000 is included for soldiers' and sailors' civil relief. The amount of $310,000 appropriated for this purpose in the regular bill, plus $19,293 remaining unexpended as of June 30, 1948, made available a total of $329,293. The administration estimates that the total obligations for this purpose during fiscal year 1949 will approximate $519,293.

The recommended total of $99,379,000 includes the amount of $44,189,000 for veterans' miscellaneous benefits, the purpose of this item being to provide for statutory burials, education and training, and paraplegic housing. An appropriation of $51,883,000 was provided for these purposes in the regular appropriation bill which, together with a preceding year's balance of $5,715,000, made a total of $57,598,000 available in the fiscal year. The Administration estimates that a total of $100,787,000 is required. The requirements for statutory burials have increased both because of the increased number of deaths and a higher average payment to a maximum of $150 per burial. With respect to education and training, it was testified that the increased costs are due principally to the shift in volume of training from the secondary schools to the colleges, requiring higher unit costs for tuition and supplies and equipment than was originally estimated.

With respect to paraplegic housing, for which the amount of $15,000,000 is included, the Administration estimates that approximately 1,500 claims will be paid between now and June 30, 1949. Estimates of costs of construction and special equipment called for in this type housing indicate that the maximum of $10,000 provided by law will be necessary in each instance. While obligations for this purpose to date have been negligible, it was testified that approximately 1,700 claims were on file as of December 31, 1948. Furthermore, it was testified that a major portion of the appropriation will be obligated during the latter part of the fiscal year for the reason that most of the veterans are deferring purchase and construction of homes until spring.

War Assets Administration

The Supplemental Independent Offices Appropriation Act for 1949 provided for liquidation of the War Assets Administration as of February 28, 1949, and the transfer of its functions to other agencies of the Government. The appropriation made was only sufficient to carry on the activity until February 28. The President has recommended legislation looking toward a more orderly disposition of residual functions of the War Assets Administration than would be possible under the 1949 Appropriation Act and has requested the appropriation of $15,000,000 to continue the War Assets Administration to the end of the fiscal year pending consideration of proposed new legislation. The committee believes that it is in the interest of the Government to keep the present agency intact until legislation can be enacted but it is not convinced that the full $15,000,000 is required. It is impossible to foretell how rapidly remaining surpluses of property can be disposed of and there is every reason to believe that greater progress can be made during the next few months than is now anticipated by the officials of the War Assets Administration. This would result in a lesser expenditure during the later months of the fiscal year and the committee therefore recommends the appropriation of $12,500,000.

Uninterrupted activity of the agency, pending final determination of the legislative proposals, is important as it is estimated that net profits to the Government from disposals of surplus property now held by the War Assets Administration and expected to be disposed of if the agency is continued will total in excess of $50,000,000 during the remainder of the fiscal year.

Department of Agriculture

BUREAU OF ENTOMOLOGY AND PLANT QUARANTINE

Emergency outbreaks of insects.—The budget estimate proposed an appropriation of $1,350,000 largely for control of Mormon crickets and grasshoppers. The intensity of the infestation of these two insects is, to a large degree, dependent upon weather conditions and it is not possible to estimate accurately just how much activity will be required to suppress the outbreaks during the spring and early summer months. The estimate appeared to the committee to be excessive in that it was based on expectations of most serious conditions. The committee therefore recommends an appropriation of $1,000,000.

PRODUCTION AND MARKETING ADMINISTRATION

Conservation and use of agricultural land resources.—The amount of the budget estimate, $9,734,500, is recommended. This appropriation is to be used during the current fiscal year to cover the cost of work required incident to establishing acreage allotments or formulating marketing-quota programs for cotton and wheat as provided for in the Agricultural Adjustment Act of 1938. At the time the original fiscal year 1949 estimates were presented there was no indication that adjustments in production or marketings would be required. However, it was testified that the production in 1948 is such as to make it necessary to establish the quotas on cotton and wheat. The law provides that, in the case of cotton, quotas are required when the total supply exceeds the normal supply to the extent of 8 percent, and in the case of wheat, when it is exceeded by 20 percent. The Secretary of Agriculture must make these determinations before July 15 in the case of wheat and before November 15 in the case of cotton. The operation will involve approximately 1,500,000 farms and 1,023 counties for cotton and 2,000,000 farms and 2,500 counties for wheat. Most of the appropriation recommended, or $8,425,000, is estimated for expenses of county agricultural conservation associations and $1,284,000 for national and State office expenses. The last fiscal year during which these allotments were in effect for either wheat or cotton was 1943.

COMMODITY CREDIT CORPORATION

Administrative expenses.—The bill provides for an increase in administrative expenses of the Commodity Credit Corporation from $7,575,000, authorized in the regular bill, to $10,814,700, requested in the budget estimate. The large and in many cases record, crops now harvested, accompanied by the recent drop in prices of a number of the major commodities, have increased the number of loans and other price-support activities. It was testified that the original fiscal-year-1949 estimate contemplated something over 1,100,000 loans. The current estimate indicates that total loans will approximate something over 3,200,000 in number. The actual number of loans made during the fiscal year 1948 was 210,387. The volume of cotton

loans on the 1948 cotton crop is now over 20 times as large as the total number of loans on the 1947 cotton crop. Likewise, loan volume has increased in connection with many other commodities, especially corn, for which it is estimated that 400,000 loans will be made during the fiscal year 1949 as compared with something less than 1,100 loans in the fiscal year 1948. In addition to the requirements of Public Law 900, of $809,700, the recommended appropriation will provide for an additional 832 man-years of employment, approximately 50 percent of which will be in the Commodity field office in New Orleans.

Department of Commerce

Office of the Secretary.—The amount of $190,000 is included for the Voluntary Agreements Division in the Office of the Secretary, the purpose of the appropriation being to negotiate voluntary agreements for priority allocation and inventory control of scarce commodities which basically affect the cost of living or industrial production. It was testified that the Office of Industry Cooperation, an organization within the office of the Secretary of Commerce, is now administering 14 allocation plans and, in addition, two other voluntary plans are soon to be effectuated. It is the thought of the committee that while the voluntary agreements program has been effective most of the organizational and procedural work has been accomplished and that the amount recommended should prove sufficient for the balance of the fiscal year.

Coast and Geodetic Survey.—The amount of the budget estimate, $290,000, is approved. Of this amount, $235,000 is to cover salary increases under Public Law 900 of the Eightieth Congress and $55,000 for an increase in pay and rations, crews of vessels. This appropriation is needed at this time in order that the Coast and Geodetic Survey may be enabled to recruit personnel for its vessels and attendant activities so that actual operations may be commenced in early spring. It was testified that a number of projects are of more or less an urgent nature and must be commenced as early as possible.

Export control program.—The amount of $1,000,000, a reduction of $175,000, is recommended for this item. The purpose of this appropriation is to provide funds for the continuation of the export-control program during the remainder of the fiscal year. The twofold purpose of this program is (*a*) to give adequate protection to the domestic economy and (*b*) to exercise vigilance over the movement of those types of industrial goods which are potentially significant from a military standpoint. The number of commodity classifications has been reduced steadily to the present 379. A certain number of commodities have been decontrolled completely. In addition to this, it was testified that the volume of our export trade has decreased substantially which would indicate a lesser work load. As in the case of voluntary agreements, it is felt that much of the organizational work of this activity has been solidified, and the amount recommended should prove ample.

Bureau of the Census.—The committee recommends for this item an appropriation of $11,000,000, a decrease of $950,000 in the budget estimates. These funds will be used for enumerating, compiling, and publishing a census of business. The sum of $1,800,000 was appro-

priated in the Second Deficiency Appropriation Act, 1948, and $425,136 for preparatory work in the State, Justice, Commerce, and the Judiciary Appropriation Act, 1949. The amount recommended in this bill, when added to the sums previously appropriated for this item, make a total of $13,225,136 available for the census of business, which is $400,000 more than the amount originally requested of the Eightieth Congress for this item, the increased amount, it was testified, being directly attributable to the cost of Public Law 900. While it was testified that the work on the seventeenth decennial census would not start until April 1, 1950, and that the census of business will have been completed in the field by that time, it would appear to the committee that much of the work on the two censuses can be coordinated between the time that this appropriation becomes available and the work on the seventeenth decennial census begins. Undoubtedly, much of the preparatory and other organizational work will be conducted at the same time and savings can be effected in administration and in field-office activities. Furthermore, the committee is not convinced that the amount of estimated lapse in employment for the current fiscal year is adequate and that the total proposed employment of 1,470 man-years cannot be attained for the full period to June 30, as estimated. Undoubtedly, some savings can be effected in printing and tabulating costs as well.

Department of the Interior

BONNEVILLE POWER ADMINISTRATION

The total estimate of $8,072,000, covering an appropriation and contract authority has been reduced to $7,500,000 for extending electric transmission facilities, since it is not certain all work programed could be accomplished in the current year. The requested appropriation, contract authority, and increase in operating and maintenance expenses were reduced in similar proportion. The budget recommendation for removal of the limitation on force-account activities in the present year is approved. The Bonneville Power Administration and the Interior Department should rigidly adhere to a policy of contracting for all work possible and limiting force-account activity to a minimum consistent with the Government's interest, and the committee intends to maintain a continuing scrutiny to insure that such policy is followed.

BUREAU OF INDIAN AFFAIRS

The committee is including in the bill the amount of $745,000 for this Bureau. Of this amount, $360,000 is for the Navajo and Hopi service, of which $300,000 is for Public Law 900 and $60,000 for welfare of the Navajo and Hopi tribes, and $385,000 for the welfare of Indians generally. The amount of $550,000, requested for education of the Navajos, has been deferred principally because of inadequate, confusing, and poorly presented justifications. Witnesses who appeared before the committee showed a complete unfamiliarity with the subject matter. The committee will not here recount its comments on the maladministration in the Bureau of

Indian Affairs brought to light in its report on the Department of the Interior appropriation bill for the fiscal year 1949. However, it does wish to serve notice that such testimony and lack of knowledge on the part of the officials representing this service will not be tolerated in the future. Present funds available for the education program are adequate to meet requirements until at least the 1st of April and the committee will consider the matter further only when it is able to secure firm data on which to base a judgment.

The committee is fully aware of the responsibilities of the Government to the Indians resident on reservations and is more than anxious to provide every dollar needed to discharge fully not only the recognized legal obligations, but also those obligations which humanitarian instincts dictate. It does not appear, however, that more than a passive appreciation of these problems is manifest by those whose responsibility it is to administer the laws passed by the Congress.

BUREAU OF RECLAMATION

General offices, salaries and expenses.—The estimate of $260,000 for appropriation from the reclamation fund for salaries and expenses (other than project expenses) is approved to meet pay increases provided by Public Law 900 and to provide for continuing the needed revision of the Bureau's accounting system. The requested removal of limitations on the activities at the Denver office, on the amount available for all personal services, and on numbers of employees in certain classified grades is approved, since they appear inordinately costly to administer and interfere unduly in the Bureau's efforts to maintain and improve administrative standards and employee morale.

The Interior Department appropriation bill of 1949 included a proviso forbidding payment of salaries or expenses of any person serving as Commissioner of Reclamation, Assistant Commissioner of Reclamation, or regional director of Reclamation, unless such person is a qualified engineer with at least 5 years' engineering and administrative experience. Only two persons, the Commissioner and a regional director, are affected by this proviso. These two persons have served in their positions for some years. The Secretary of the Interior has expressed himself as pleased with the character of work they have been doing and the President has recommended that the proviso be repealed. If qualifications of individuals for positions of this type are to be the subject of legislation the matter should be taken up in consideration of basic law rather than dealt with in a negative manner by way of appropriation limitation. The committee therefore recommends the repeal of the proviso.

Reclamation fund, construction.—The bill includes the amount of $975,000 for construction on three projects; namely, (1) Boise project, Idaho, Payette division; (2) Lewiston Orchard project, Idaho; and (3) Provo River project, Utah. This is a reduction of $150,000 applicable as follows: Lewiston Orchard project, $50,000; and Provo River project, $100,000. Funds for the Boise project are required to permit fulfillment of the 1949 schedule and provide for virtual completion during the fiscal year 1950. The amount recommended, together with the funds requested for the fiscal year 1950, will be used to com-

plete construction of laterals for a remaining 12,000 acres yet to be developed. The Lewiston Orchard project is a combination water supply and irrigation system serving approximately 4,000 residents in the town of Lewiston, Idaho, and 3,838 acres of the district. The Provo River project, similar to the Lewiston project, is also a dual-purpose undertaking intended to supplement the water facilities in Salt Lake City and to irrigate approximately 90,000 acres of land. Testimony before the committee indicates that the type of construction contemplated during the balance of the fiscal year can be adequately covered with the appropriations recommended.

Reclamation fund, operation and maintenance.—The bill includes $200,500, the amount of the budget estimate, for operation and maintenance. The purpose of this appropriation is, in the main, to meet deficiencies in the power supply for the Colorado, Wyoming, and western Nebraska area. This power will be resold to consumers at the cost of such power plus incidental expenses related to its transmission. A small amount, $15,500, is to cover costs of Public Law 900.

Emergency fund.—The estimate of $1,000,000 for establishing an emergency fund for the Bureau of Reclamation as authorized by Public Law 790, Eightieth Congress, is approved, but it should be clearly understood that this fund is for emergencies only, and is not to be considered as a recurring annual appropriation.

General fund, construction.—Funds appropriated for the Davis Dam project, Arizona-Nevada, and the Columbia Basin project, Washington, are inadequate to carry the construction program through the remainder of the year, and the budget estimate proposed an additional amount of $5,000,000 for each of them. After considering the matter, the committee does not believe the full amount of $5,000,000 will be required and therefore recommends an additional appropriation of $4,500,000 for each or a total of $9,000,000. The amount of $1,800,000, a reduction of $200,000 in the budget estimates, is included for the Colorado-Big Thompson project.

Missouri River Basin project.—The accompanying bill includes $4,500,000 for this item, a reduction of $600,000 in the budget estimates. The project is a comprehensively planned development of the river resources in the 10 States of the Missouri River Basin and covers irrigation, power, navigation, flood control, and water for municipal and other purposes. Specifically, the money requested is for the continuation of construction activity on three units of the project. It is believed that the amount recommended will enable the Bureau to proceed with the work in an orderly manner and that sufficient funds will be available for payment to contractors, especially in view of the possibility that the construction season this year may be late.

General provision.—The budget request for removal of the limitation on force account activities of the Bureau of Reclamation is approved, and the same considerations as stated previously regarding similar action respecting the Bonneville Power Administration should be observed by this Bureau.

National Military Establishment

CORPS OF ENGINEERS

Rivers and harbors.—The amount of $10,500,000, a reduction of $1,000,000 in the budget estimates, is recommended for the maintenance and improvement of existing river and harbor works. The budget estimate contemplates an appropriation of $8,000,000 for McNary Lock and Dam; $1,500,000 for Ice Harbor Lock and Dam; and $2,000,000 for Chief Joseph Dam. With respect to the McNary Dam, which is now under construction, the amount is required to initiate work on the south shore cofferdam and for earning requirements under existing contracts on the north shore. Both the Ice Harbor Lock and Dam and the Chief Joseph Dam are new projects which are interrelated to the power development of this area. It was testified that the entire power capacity in the country approximates 53,000,000 kilowatts with the demand approaching 52,000,000 kilowatts. While it is recognized that everything possible must be done to promote as rapid completion of these projects as possible in order to alleviate the power shortage in certain areas and, in order for the Government to sooner realize a return on its investment, it is believed that the amount appropriated will not be entirely needed during the balance of the fiscal year, especially in connection with the two projects being initiated. However, the committee does not wish to earmark funds for either of these three projects and leaves it to the Corps of Engineers to effect the best possible utilization of funds recommended in the accompanying bill.

Flood control, general.—The amount of $14,000,000, a reduction of $2,000,000 in the budget estimate, is recommended for six projects contemplated under this head. The committee does not believe that the original requests for Wolf Creek Reservoir in Kentucky, Center Hill Reservoir in Tennessee, and for the Fort Gibson Reservoir will be needed in full, and such savings as can be effected should be applied to these projects.

Flood control, general (emergency fund).—The budget estimate, $2,500,000, is approved for completion of repair, restoration, and strengthening of levees in the Columbia Basin made necessary by the floods of May and June 1948. It is urgent that all possible repairs be made and that necessary structures be restored as early as possible in order that future damage may be minimized. There has been appropriated for this purpose to date the amount of $6,000,000, all of which, according to testimony, will have been obligated by the end of the current year. The amount recommended herein will provide for 18 individual projects as detailed on pages 551 and 552 of the committee hearings. The amount recommended will, according to testimony, cover the total cost of the restoration work.

Post Office Department

Five estimates totaling $102,977,000 for the postal service were considered by the committee. Of the foregoing amounts, $70,000,000 is for railroad transportation of mails, $17,000,000 for foreign air mail service and $13,000,000 for the postal vehicle service. Most of the amounts for railroad transportation and the foreign air mail service are accounted for in increased rates paid to carriers, over which the Department has no control and the remainder is due to increased mail volume. The vehicle service item is largely accounted for in increased volume and the remainder by increases in compensation of employees under Public Law 900 of the Eightieth Congress. An amount of $2,727,000 is required for travel allowances in the railway travel service by reason of an increase in the per diem travel allowance under Public Law 687, Eightieth Congress, and by additional travel days resulting from increased mail volume. The remaining item, $250,000, is for damage claims under the Tort Claims Act. After careful inquiry into the basis of these estimates the committee believes the full amount must be appropriated.

Treasury Department

Bureau of Engraving and Printing.—The appropriations for this agency for 1949 contemplated the production of 91,000,000 sheets of currency during the fiscal year and the Treasury is now redeeming currency at the rate of 105,000,000 sheets per year. The budget estimate of $2,000,000 contemplated utilization of overtime during the remainder of the year to produce an additional 16,000,000 sheets, making a total for the year of 107,000,000 sheets, or more than the present indicated requirements. The rate of redemption during the rest of the year is highly problematical and the committee recommends the appropriation of $1,500,000 which should enable the Bureau to keep abreast of demand pending a review of the entire program in connection with the regular budget for the fiscal year 1950.

Bureau of Accounts.—The committee recommends approval of the budget estimates for two items under this bureau, the first being in the amount of $2,300,000 for payment of certified claims, and the second for $800,000 for refund of moneys erroneously received and covered. The certified claims paid under this appropriation are those approved by the Comptroller General and over which there is no further controversy. The regular 1949 appropriation for this purpose was only $800,000 and it was exhausted on about December 1, 1948. At about the same time the General Accounting Office reported additional claims allowed of approximately $864,000 with others continually being filed.

The amount of $800,000 recommended for refund of moneys erroneously received and covered is in addition to the regular 1949 appropriation of $700,000, which amount was nearly expended during the first 6 months of this fiscal year. This appropriation covers the repayment to the rightful owners of sums inadvertently covered into the general fund of the Treasury.

Bureau of the Mint.—The committee recommends $250,000 for salaries and expenses, a reduction of $16,200 below the budget estimate. The estimate included $150,600 to meet the pay increases of classified employees pursuant to Public Law 900 and $115,600 to meet salary increases authorized through action of the Treasury Wage Board for employees under its jurisdiction. The committee believes that the reduction in the estimate can be absorbed over the balance of the present fiscal year by prudent operations which the operating officials of the Bureau of the Mint can undoubtedly accomplish.

FIRST DEFICIENCY APPROPRIATION BILL, 1949

Comparative statement of the amounts of the budget estimates and of the amounts recommended to be appropriated by the bill

House Doc. No.	Department or agency	Amount of budget estimate	Amount recommended in the bill	Increase (+) or decrease (−), bill compared with budget estimate
	LEGISLATIVE BRANCH			
	SENATE			
40	Office of the Vice President	$4, 500. 00	$4, 500. 00	
44	Contingent expenses: Vice President's automobile	2, 500. 00	2, 500. 00	
	Total, Senate	7, 000. 00	7, 000. 00	
	HOUSE OF REPRESENTATIVES			
	Beneficiaries of deceased Representatives		25, 000. 00	+$25, 000. 00
	ARCHITECT OF THE CAPITOL			
54	Capitol Building, Senate and House roofs and Chambers	2, 274, 500. 00	2, 274, 500. 00	
	Total, legislative branch	2, 281, 500. 00	2, 306, 500. 00	+25, 000. 00
	THE JUDICIARY			
44	Miscellaneous items of expense: Fees of jurors	400, 000. 00	300, 000. 00	−100, 000. 00
	EXECUTIVE OFFICE OF THE PRESIDENT			
40	Compensation of the President	33, 437. 52	33, 437. 52	

44	Office of Defense Transportation: Salaries and expenses	95,000.00	95,000.00	
	Total, Executive Office of the President	128,437.52	128,437.52	
	INDEPENDENT OFFICES			
	DISPLACED PERSONS COMMISSION			
44	Displaced Persons Commission	1,500,000.00	1,200,000.00	−300,000.00
	FEDERAL SECURITY AGENCY			
	Bureau of Employees' Compensation			
44	Administrative expenses, War Claims Act	(35,000.00)	(35,000.00)	
	Employees' compensation fund			
44	Employees' compensation fund	3,400,000.00	3,400,000.00	
	Social Security Administration			
44	Grants to States for public assistance	151,000,000.00	151,000,000.00	
44	Grants to States for Unemployment Compensation and Employment Service administration	4,987,000.00	4,987,000.00	
	Total, Federal Security Agency	159,387,000.00	159,387,000.00	
	HOUSING AND HOME FINANCE AGENCY			
44	Federal Housing Administration: Administrative expenses	(4,800,000.00)	(4,000,000.00)	(−800,000.00)
	HOUSING EXPEDITER			
44, 50	Salaries and expenses	7,450,000.00	4,800,000.00	−2,650,000.00

Comparative statement of the amounts of the budget estimates and of the amounts recommended to be appropriated by the bill—Continued

House Doc. No.	Department or agency	Amount of budget estimate	Amount recommended in the bill	Increase (+) or decrease (−), bill compared with budget estimate
	INDEPENDENT OFFICES—Continued			
	NATIONAL CAPITAL HOUSING AUTHORITY			
44	Maintenance and operation of properties	$3, 300. 00	$3, 300. 00	
	TENNESSEE VALLEY AUTHORITY			
44	Tennessee Valley Authority	3, 450, 000. 00	2, 950, 000. 00	−$500, 000. 00
	VETERANS' ADMINISTRATION			
44	National service life insurance	55, 000, 000. 00	55, 000, 000. 00	
44	Soldiers' and sailors' civil relief	190, 000. 00	190, 000. 00	
44	Veterans' miscellaneous benefits	44, 189, 000. 00	44, 189, 000. 00	
	Total, Veterans' Administration	99, 379, 000. 00	99, 379, 000. 00	
	WAR ASSETS ADMINISTRATION			
44	Salaries and expenses, special fund	15, 000, 000. 00	12, 500, 000. 00	−2, 500, 000. 00
	Total, independent offices	286, 169, 300. 00	280, 219, 300. 00	−5, 950, 000. 00

	DEPARTMENT OF AGRICULTURE			
	AGRICULTURAL RESEARCH ADMINISTRATION			
	Bureau of Entomology and Plant Quarantine			
44	Control of emergency outbreaks of insects and plant diseases	1, 350, 000. 00	1, 000, 000. 00	−350, 000. 00
	PRODUCTION AND MARKETING ADMINISTRATION			
44, 58	Conservation and use of agricultural land resources	9, 734, 500. 00	9, 734, 500. 00	
	COMMODITY CREDIT CORPORATION			
44	Administrative expenses	(3, 239, 700. 00)	(3, 239, 700. 00)	
	Total, Department of Agriculture	11, 084, 500. 00	10, 734, 500. 00	−350, 000. 00
	DEPARTMENT OF COMMERCE			
	OFFICE OF THE SECRETARY			
44	Voluntary agreements	215, 000. 00	190, 000. 00	−25, 000. 00
	BUREAU OF THE CENSUS			
44	Census of business	11, 950, 000. 00	11, 000, 000. 00	−950, 000. 00
	CIVIL AERONAUTICS ADMINISTRATION			
44	Claims, Federal Airport Act	1, 227, 140. 00	1, 227, 140. 00	
	COAST AND GEODETIC SURVEY			
44	Salaries and expenses, field	290, 000. 00	290, 000. 00	
	BUREAU OF FOREIGN AND DOMESTIC COMMERCE			
44	Export control	1, 175, 000. 00	1, 000, 000. 00	−175, 000. 00
	Total, Department of Commerce	14, 857, 140. 00	13, 707, 140. 00	−1, 150, 000. 00

Comparative statement of the amounts of the budget estimates and of the amounts recommended to be appropriated by the bill—Continued

House Doc. No.	Department or agency	Amount of budget estimate	Amount recommended in the bill	Increase (+) or decrease (−), bill compared with budget estimate
	DEPARTMENT OF THE INTERIOR			
	OFFICE OF THE SECRETARY			
44	Expenses, power transmission facilities	$131, 000. 00	$131, 000. 00	
	BONNEVILLE POWER ADMINISTRATION			
44	Construction, operation, and maintenance	6, 509, 000. 00	6, 047, 800. 00	−$461, 200. 00
	BUREAU OF INDIAN AFFAIRS			
44	Navajo and Hopi service: Agency services	910, 000. 00	360, 000. 00	−550, 000. 00
44	Welfare of Indians	385, 000. 00	385, 000. 00	
	Total, Bureau of Indian Affairs	1, 295, 000. 00	745, 000. 00	−550, 000. 00
	BUREAU OF RECLAMATION			
	General fund			
	Construction:			
44	Davis Dam project, Arizona-Nevada	5, 000, 000. 00	4, 500, 000. 00	−500, 000. 00
44	Colorado-Big Thompson project, Colorado	2, 000, 000. 00	1, 800, 000. 00	−200, 000. 00
44	Columbia Basin project, Washington	5, 000, 000. 00	4, 500, 000. 00	−500, 000. 00
44	Missouri River Basin	5, 100, 000. 00	4, 500, 000. 00	−600, 000. 00

	Reclamation fund			
44	General offices: Salaries and expenses (other than project offices)	260, 000. 00	260, 000. 00	
	Construction			
44	Boise project, Idaho, Payette Division	275, 000. 00	275, 000. 00	
44	Lewiston Orchards project, Idaho	350, 000. 00	300, 000. 00	—50, 000. 00
44	Provo River project, Utah	500, 000. 00	400, 000. 00	—100, 000. 00
	Operation and maintenance			
44	Colorado-Big Thompson project, Colorado	52, 000. 00	52, 000. 00	
44	North Platte project, Nebraska-Wyoming	17, 500. 00	17, 500. 00	
44	Kendrick project, Wyoming	131, 000. 00	131, 000. 00	
	Emergency fund			
44	Emergency fund	1, 000, 000. 00	1, 000, 000. 00	
	Total, Bureau of Reclamation	19, 685, 500. 00	17, 735, 500. 00	—1, 950, 000. 00
	Total, Department of the Interior	27, 620, 500. 00	24, 659, 300. 00	—2, 961, 200. 00

Comparative statement of the amounts of the budget estimates and of the amounts recommended to be appropriated by the bill—Continued

House Doc. No.	Department or agency	Amount of budget estimate	Amount recommended in the bill	Increase (+) or decrease (−), bill compared with budget estimate
	NATIONAL MILITARY ESTABLISHMENT			
	DEPARTMENT OF THE ARMY—CIVIL FUNCTIONS			
	Corps of Engineers			
44	Rivers and harbors: Maintenance and improvement of existing river and harbor works	$11, 500, 000. 00	$10, 500, 000. 00	−$1, 000, 000. 00
44	Flood control, general	16, 000, 000. 00	14, 000, 000. 00	−2, 000, 000. 00
44	Flood control, general (emergency fund)	2, 500, 000. 00	2, 500, 000. 00	
	Total, Department of the Army, civil functions	30, 000, 000. 00	27, 000, 000. 00	−3, 000, 000. 00
	POST OFFICE DEPARTMENT			
	FIELD SERVICE, POST OFFICE DEPARTMENT			
	Office of the Postmaster General			
44	Damage claims	250, 000. 00	250, 000. 00	
	Office of the Second Assistant Postmaster General			
44	Railroad transportation and mail messenger service	70, 000, 000. 00	70, 000, 000. 00	
44	Railway mail service, travel allowance	2, 727, 000. 00	2, 727, 000. 00	

44	Foreign air mail service	17,000,000.00	17,000,000.00	
	Total, Office of the Second Assistant Postmaster General	89,727,000.00	89,727,000.00	
	Office of the Fourth Assistant Postmaster General			
44	Vehicle service	13,000,000.00	13,000,000.00	
	Total, Post Office Department	102,977,000.00	102,977,000.00	
	TREASURY DEPARTMENT			
	FISCAL SERVICE			
	Bureau of Accounts			
44	Payment of certified claims	2,300,000.00	2,300,000.00	
44	Refund of moneys erroneously received and covered	800,000.00	800,000.00	
	BUREAU OF ENGRAVING AND PRINTING			
38	Salaries and expenses	2,000,000.00	1,500,000.00	−500,000.00
	BUREAU OF THE MINT			
44	Salaries and expenses	266,200.00	250,000.00	−16,200.00
	Total, Treasury Department	5,366,200.00	4,850,000.00	−516,200.00
	Grand total	480,884,577.52	466,882,177.52	−14,002,400.00

○

Union Calendar No. 23

81ST CONGRESS
1ST SESSION

H. R. 2632

[Report No. 111]

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 14, 1949

Mr. KERR, from the Committee on Appropriations, reported the following bill; which was committed to the Committee of the Whole House on the State of the Union and ordered to be printed

---

A BILL

Making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1949, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, to supply supplemental appropriations for the fiscal year ending June 30, 1949, and for other purposes, namely:

LEGISLATIVE BRANCH

SENATE

OFFICE OF THE VICE PRESIDENT

For the expense allowance of the Vice President, fiscal year 1949, from January 20 to June 30, $4,500.

CONTINGENT EXPENSES OF THE SENATE

Vice President's Automobile

For an additional amount for "Vice President's automobile," $2,500.

HOUSE OF REPRESENTATIVES

For payment to Temple W. West, widow of Milton H. West, late a Representative from the State of Texas, $12,500.

For payment to Lotti S. Delaney, widow of John J. Delaney, late a Representative from the State of New York, $12,500.

CONTINGENT EXPENSES OF THE HOUSE

Miscellaneous Items

Notwithstanding the provisions of the Treasury Department Appropriation Act, 1949, the appropriation for "Miscellaneous items" for the House of Representatives in the Legislative Branch Appropriation Act, 1949, shall be available for purchase of new or used typewriters at prices which

do not exceed prices established under the provisions of the Treasury Department Appropriation Act, 1949.

ARCHITECT OF THE CAPITOL

CAPITOL BUILDING, SENATE AND HOUSE ROOFS AND CHAMBERS

Capitol Building: For an additional amount to enable the Architect of the Capitol to carry forward the improvements affecting the House Wing of the Capitol authorized by the Second Deficiency Appropriation Act of June 27, 1940 (54 Stat. 629), as amended by the Acts of June 8, 1942 (56 Stat. 342), and July 17, 1945 (59 Stat. 472), $2,274,500. The Architect of the Capitol is authorized to enter into contracts, including cost-plus-a-fixed-fee contracts as approved by the Special Committee on Reconstruction of House Roof and Skylights and Remodeling of House Chamber, and to make such other expenditures as may be necessary for the improvements affecting the House Wing of the Capitol authorized by such Acts, in such amounts as may be approved by the House committee appointed under section 1 of the Act of July 17, 1945, notwithstanding the provisions of section 2 of that Act: *Provided,* That the amounts so approved by such committee

may be obligated in full prior to the actual appropriation thereof.

THE JUDICIARY

Miscellaneous Items of Expense

FEES OF JURORS

For an additional amount for "Fees of jurors", $300,000.

General Provisions

Notwithstanding the provisions of the Treasury Department Appropriation Act, 1949, appropriations in the Judiciary Appropriation Act, 1949, available for miscellaneous expenses or for salaries and expenses shall be available for purchase of new or used typewriters at prices which do not exceed prices established under the provisions of the Treasury Department Appropriation Act, 1949.

EXECUTIVE OFFICE OF THE PRESIDENT

Compensation of the President

For an additional amount, fiscal year 1949, for "Compensation of the President" from January 20 to June 30, including an expense allowance at the rate of $50,000 per annum, as authorized by Public Law 2, approved January 19, 1949, $33,437.52.

OFFICE OF DEFENSE TRANSPORTATION

SALARIES AND EXPENSES

For an additional amount for "Salaries and expenses", $95,000; and the limitation under this head in the Supplemental Independent Offices Appropriation Act, 1949, on the amount available for travel expenses is increased from "$54,000" to "$65,000": *Provided*, That the appropriation under said head shall remain available until June 30, 1949: *Provided further*, That the sum of $60,000 made available under said head exclusively for terminal leave payments shall be available for any of the purposes specified under said head.

INDEPENDENT OFFICES

DISPLACED PERSONS COMMISSION

For an additional amount for "Displaced Persons Commission", $1,200,000; and the limitation under this head in the Second Deficiency Appropriation Act, 1948, on the purchase of passenger motor vehicles, is increased from "fifteen" to "thirty-five".

FEDERAL SECURITY AGENCY

BUREAU OF EMPLOYEES' COMPENSATION

Administrative Expenses, War Claims Act

For administrative expenses necessary for performing the duties imposed upon the Federal Security Administrator by the War Claims Act of 1948 (Public Law 896, approved July 3, 1948), $35,000, to be derived from the war claims fund created by section 13 (a) of said Act and to be advanced to and consolidated with the appropriation for "Salaries and expenses" under the Bureau of Employees' Compensation in the Federal Security Agency Appropriation Act, 1949.

Employees' Compensation Fund

For an additional amount for "Employees' compensation fund", $3,400,000.

SOCIAL SECURITY ADMINISTRATION

Grants to States for public assistance

For an additional amount for "Grants to States for public assistance", $151,000,000.

Grants to States for Unemployment Compensation and Employment Service Administration

For an additional amount for "Grants to States for unemployment compensation and employment service administration", $4,987,000.

HOUSING AND HOME FINANCE AGENCY

FEDERAL HOUSING ADMINISTRATION

The amount made available under this head in the Government Corporations Appropriation Act, 1949, for administrative expenses of the Federal Housing Administration, is increased from "$19,000,000" to "$23,000,000"; and the sources of funds for such administrative expenses shall include the housing investment insurance fund created by the Housing Act of 1948.

HOUSING EXPEDITER

SALARIES AND EXPENSES

For an additional amount for "Salaries and expenses, Office of the Housing Expediter", $4,800,000.

NATIONAL CAPITAL HOUSING AUTHORITY

MAINTENANCE AND OPERATION OF PROPERTIES

For an additional amount for "Maintenance and operation of properties", $3,300.

TENNESSEE VALLEY AUTHORITY

For an additional amount for "Tennessee Valley Authority", $2,950,000, to remain available until expended; and the limitation under this head in title I of the Government Corporations Appropriation Act, 1949, on the amount available for capital expenditures, is increased from "$21,689,000" to "$24,639,000": *Provided,* That the

limitation under this head in title II of the Government Corporations Appropriation Act, 1949, on the amount available for administrative and general expenses of the Corporation, is increased from "$3,677,000" to "$3,988,000", and the limitation therein on the use for such purposes of funds appropriated by title I of said Act is hereby repealed.

THE TAX COURT OF THE UNITED STATES

SALARIES AND EXPENSES

The limitation imposed by section 104 of the Independent Offices Appropriation Act, 1949, on the amount available for travel expenses under this head, is increased from "$20,000" to "$26,000".

VETERANS' ADMINISTRATION

NATIONAL SERVICE LIFE INSURANCE

For an additional amount for "National service life insurance", $55,000,000, to remain available until expended.

SOLDIERS' AND SAILORS' CIVIL RELIEF

For an additional amount for "Soldiers' and sailors' civil relief", $190,000, to remain available until expended.

VETERANS' MISCELLANEOUS BENEFITS

For an additional amount for "Veterans' miscellaneous benefits", $44,189,000, to remain available until expended.

WAR ASSETS ADMINISTRATION

SALARIES AND EXPENSES, SPECIAL FUND

For an additional amount for "Salaries and expenses, War Assets Administration, special fund", $12,500,000, to be derived from the special fund account in the Treasury as provided for in the First Deficiency Appropriation Act, 1946: *Provided*, That all funds appropriated under this head for the fiscal year 1949 shall be available during the entire fiscal year: *Provided further*, That notwithstanding the provisions of any other law, not to exceed $4,000,000 of the proceeds of the disposal of surplus property or deductions from proceeds otherwise collectible as a result of the disposal of such property shall be available for such costs of renovation, restoration, rehabilitation, improvement, and repair of industrial facilities, as may be contracted for during the fiscal year 1949 if required for purposes of national defense or for the protection of the public or of private property from the effects of the operation of such facilities: *Provided further*, That the effective date for abolishing the office of the War Assets Administrator, terminating the existence of the War Assets Administration, and transferring to other Federal agencies its responsibility for

disposal of property declared surplus prior to July 1, 1948, as prescribed by the Supplemental Independent Offices Appropriation Act, 1949, is hereby changed from "February 28, 1949", to "June 30, 1949", or such earlier date as may be established by legislation enacted during the first session of the Eighty-first Congress.

DEPARTMENT OF AGRICULTURE

Office of Information

PRINTING AND BINDING

The limitation under this head in the Department of Agriculture Appropriation Act, 1949, on the amount which may be transferred to this appropriation from other appropriations of the Department of Agriculture, is increased from "$145,000" to "$170,500".

Agricultural Research Administration

BUREAU OF ENTOMOLOGY AND PLANT QUARANTINE

Control of Emergency Outbreaks of Insects and Plant Diseases

For an additional amount for "Control of emergency outbreaks of insects and plant diseases", $1,000,000.

Production and Marketing Administration

CONSERVATION AND USE OF AGRICULTURAL LAND RESOURCES

For an additional amount for "Conservation and use of agricultural land resources", for formulating and carrying

out programs under the Agriculutral Adjustment Act of 1938, as amended, including cotton and wheat marketing quota programs, $9,734,500; and the limitation under this head in the Department of Agriculture Appropriation Act, 1949, on the amonut available during the fiscal year 1949 for salaries and other administrative expenses, is increased from "$24,500,000" to "$34,234,500"; and the limitation under said head on the amount available for transfer to the appropriation account "Administrative expenses, section 392, Agricultural Adjustment Act of 1938", is increased from "$7,000,000" to "$8,284,000".

Commodity Credit Corporation

administrative expenses, commodity credit corporation

The limitation under this head in the Department of Agriculture Appropriation Act, 1949, on the amount available for administrative expenses of the Corporation, is increased from "$7,575,000" to "$10,814,700".

DEPARTMENT OF COMMERCE

Office of the Secretary

voluntary agreements

For an additional amount for "Voluntary agreements", $190,000.

BUREAU OF THE CENSUS

CENSUS OF BUSINESS

For an additional amount for "Census of business", $11,000,000, to remain available until December 31, 1951; and appropriations under this head shall be available for health service programs as authorized by law (5 U. S. C. 150), and for compensation of employees of the Department of Commerce and other departments and independent agencies of the Government who may be detailed for field work.

CIVIL AERONAUTICS ADMINISTRATION

CLAIMS, FEDERAL AIRPORT ACT

For reimbursement, in accordance with section 17 of the Federal Airport Act, as amended, to public agencies for necessary rehabilitation and repair to public airports damaged by Federal agencies, $1,227,140, to remain available until June 30, 1953, as follows: Greensboro-High Point Airport, Greensboro, North Carolina, $197,813; Buffalo Municipal Airport, Buffalo, New York, $594,344; Nantucket Airport, Nantucket, Massachusetts, $57,582; Detroit-Wayne Major Airport, Wayne County, Michigan, $168,689; Adams Field, Little Rock Municipal Airport, Little Rock, Arkansas, $187,072; and Galveston Municipal Airport, Galveston, Texas, $21,640.

COAST AND GEODETIC SURVEY

SALARIES AND EXPENSES, FIELD

For an additional amount for "Salaries and expenses, field", $290,000.

BUREAU OF FOREIGN AND DOMESTIC COMMERCE

EXPORT CONTROL

For an additional amount for "Export control", $1,000,000; and limitations under this head in the Second Deficiency Appropriation Act, 1948, on amounts available for transfer to other appropriations are increased as follows: Bureau of Customs, from "$1,350,000" to "$1,500,000".

DEPARTMENT OF THE INTERIOR

OFFICE OF THE SECRETARY

EXPENSES, POWER TRANSMISSION FACILITIES

For an additional amount for "Expenses, power transmission facilities", $131,000.

BONNEVILLE POWER ADMINISTRATION

CONSTRUCTION, OPERATION, AND MAINTENANCE

For an additional amount for "Construction, operation and maintenance, Bonneville power transmission system", $6,047,800, to remain available until expended; and the limitation under this head in the Interior Department Appropriation Act, 1949, on expenses for operation and mainte-

nance of the Bonneville transmission system, is increased from "$3,231,800" to "$3,521,600"; and the limitations under said head on force account activities and on salaries and expenses in connection with informational work are hereby repealed: *Provided*, That, in addition to the contract authorization contained under said head, the Administrator is authorized to contract in the fiscal year 1949 for materials, equipment, and services for power transmission facilities in an amount not in excess of $1,452,200.

Bureau of Indian Affairs

navajo and hopi service

Agency Services

For an additional amount for "Agency services", $360,000: *Provided*, That after the approval of this Act no payment shall be made from this appropriation to Indians who are eligible for benefit payments under the Social Security Act.

welfare of indians

For an additional amount for "Welfare of Indians", $385,000: *Provided*, That after the approval of this Act no payment shall be made from this appropriation to Indians who are eligible for benefit payments under the Social Security Act.

Bureau of Reclamation

FORCE ACCOUNT WORK

That part of the Interior Department Appropriation Act, 1949, which reads "not exceeding 8 per centum of the construction appropriation for any project under the Bureau of Reclamation contained in this Act shall be available for construction work by force account, or on a hired labor basis, except for projects or items the estimated construction cost of which does not exceed $200,000, and only then in cases where the Bureau of Reclamation finds the lowest bids to be excessive" is hereby repealed.

GENERAL FUND

Construction

For additional amounts for "Construction", to remain available until expended, as follows:

Davis Dam project, Arizona-Nevada, $4,500,000;

Colorado-Big Thompson project, Colorado, $1,800,000;

Columbia Basin project, Washington, $4,500,000.

Missouri River Basin

For an additional amount for "Missouri River Basin," reimbursable to the extent and as provided in the Act of December 22, 1944 (58 Stat. 887), $4,500,000, to remain available until expended.

RECLAMATION FUND

The following sums are appropriated out of the reclamation fund created by the Act of June 17, 1902, as follows:

General Offices

Salaries and expenses (other than project offices)

For an additional amount for "Salaries and expenses (other than project offices)", $260,000: *Provided,* That in addition to the amount appropriated under this head in the Interior Department Appropriation Act, 1949, there shall be available for expenditure under said head any sums transferred thereto for work performed or to be performed for the benefit of specific projects or undertakings for which other funds or appropriations of the Bureau of Reclamation are available; and the first, fourth, and fifth provisos under said head are hereby repealed.

Effective January 31, 1949, the proviso under this head in the Interior Department Appropriation Act, 1949, which reads: "*Provided further,* That after January 31, 1949, no part of any appropriation for the Bureau of Reclamation contained in this Act shall be used for the salaries and expenses of a person in any of the following positions in the Bureau of Reclamation, or of any person who performs the duties of any such position, who is not a qualified

engineer with at least five years' engineering and administrative experience: (1) Commissioner of Reclamation; (2) Assistant Commissioner of Reclamation; and (3) Regional Director of Reclamation—" is hereby repealed.

Construction

For additional amounts for "Construction", to remain available until expended, as follows:

Boise project, Idaho, Payette division, $275,000;

Lewiston Orchards project, Idaho, $300,000;

Provo River project, Utah, $400,000, of which $215,000 is for the payment of obligations incurred under authority provided under this head in the Interior Department Appropriation Act, 1948.

Operation and Maintenance

Colorado-Big Thompson project, Colorado

For an additional amount for "Colorado-Big Thompson project", from power revenues, $52,000.

North Platte project, Nebraska-Wyoming

For an additional amount for "North Platte project, Nebraska-Wyoming", from power revenues, $17,500.

Kendrick project, Wyoming

For an additional amount for "Kendrick project, Wyoming", from power revenues, $131,000.

Emergency Fund

For establishing an emergency fund as authorized by the Act of June 26, 1948 (Public Law 790), $1,000,000, to remain available until expended for the purposes specified in said Act.

NATIONAL MILITARY ESTABLISHMENT

Department of the Army—Civil Functions

corps of engineers

Rivers and Harbors and Flood Control

The limitation under this head in the Civil Functions Appropriation Act, 1949, on the amount available for payment of salaries in the Office of the Chief of Engineers, is increased from "$1,250,000" to "$1,341,740".

Rivers and Harbors

Maintenance and improvement of existing river and harbor works

For an additional amount for "Maintenance and improvement of existing river and harbor works", $10,500,000, to remain available until expended.

Flood Control

Flood control, general

For an additional amount for "Flood control, general", $14,000,000, to remain available until expended.

Flood control, general (emergency fund)

For an additional amount for "Flood control, general (emergency fund)", as authorized by the Flood Control Act of 1948 (Public Law 858, approved June 30, 1948), $2,500,000, to remain available until expended.

POST OFFICE DEPARTMENT

(Out of Postal Revenues)

Field Service, Post Office Department

OFFICE OF THE POSTMASTER GENERAL

Damage Claims

For an additional amount for "Damage claims", $250,000.

OFFICE OF THE SECOND ASSISTANT POSTMASTER GENERAL

Railroad Transportation and Mail Messenger Service

For an additional amount for "Railroad transportation and mail messenger service", $70,000,000.

Railway Mail Service, Travel Allowance

For an additional amount for "Railway mail service, travel allowance", $2,727,000.

Foreign Air Mail Service

For an additional amount for "Foreign air mail service", $17,000,000.

OFFICE OF THE FOURTH ASSISTANT POSTMASTER GENERAL

Vehicle Service

For an additional amount for "Vehicle service", $13,000,000.

TREASURY DEPARTMENT

Fiscal Service

BUREAU OF ACCOUNTS

Payment of Certified Claims

For an additional amount for "Payment of certified claims", $2,300,000.

Refund of Moneys Erroneously Received and Covered

For an additional amount for "Refund of moneys erroneously received and covered", $800,000.

Bureau of Engraving and Printing

SALARIES AND EXPENSES

For an additional amount, fiscal year 1949, for "Salaries and expenses", $1,500,000.

Bureau of the Mint

SALARIES AND EXPENSES

For an additional amount for "Salaries and expenses", $250,000: *Provided,* That appropriations under this head for the fiscal year 1949 shall be available for paying wage increases effective from the date of approval by the Treasury Department.

SEC. 2. No part of any appropriation contained in

this Act shall be used to pay the salary or wages of any person who engages in a strike against the Government of the United States or who is a member of an organization of Government employees that asserts the right to strike against the Government of the United States, or who advocates, or is a member of an organization that advocates, the overthrow of the Government of the United States by force or violence: *Provided*, That for the purposes hereof an affidavit shall be considered prima facie evidence that the person making the affidavit has not contrary to the provisions of this section engaged in a strike against the Government of the United States, is not a member of an organization of Government employees that asserts the right to strike against the Government of the United States, or that such person does not advocate, and is not a member of an organization that advocates, the overthrow of the Government of the United States by force or violence: *Provided further*, That any person who engages in a strike against the Government of the United States or who is a member of an organization of Government employees that asserts the right to strike against the Government of the United States, or who advocates, or who is a member of an organization that advocates, the overthrow of the Government of the United States by force or violence and accepts employment the salary or wages for which are paid from any appropriation

contained in this Act shall be guilty of a felony and, upon conviction, shall be fined not more than $1,000 or imprisoned for not more than one year, or both: *Provided further,* That the above penalty clause shall be in addition to, and not in substitution for, any other provisions of existing law.

SEC. 3. The provision in the Treasury Department Appropriation Act, 1949, which places a limit on the price which may be paid for such typewriters as may be purchased under the Act shall not apply to the purchase of office-type machines which are designed and constructed primarily to compose and print master copies for quantity reproduction by another process.

SEC. 4. This Act may be cited as the "First Deficiency Appropriation Act, 1949".

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Union Calendar No. 23

81ST CONGRESS
1ST SESSION

H. R. 2632

[Report No. 111]

A BILL

Making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1949, and for other purposes.

By Mr. KERR

FEBRUARY 14, 1949

Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

81st Congress, 1st Session | HOUSE OF REPRESENTATIVES | Report No. 118

CONSIDERATION OF H. R. 2632

February 14, 1949.—Referred to the House Calendar and ordered to be printed

Mr. Sabath, from the Committee on Rules, submitted the following

REPORT

[To accompany H. Res. 99]

The Committee on Rules, having had under consideration House Resolution 99, report the same to the House with the recommendation that the resolution do pass.

House Calendar No. 12

81ST CONGRESS
1ST SESSION

H. RES. 99

[Report No. 118]

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 14, 1949

Mr. SABATH, from the Committee on Rules, reported the following resolution; which was referred to the House Calendar and ordered to be printed

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RESOLUTION

Resolved, That, notwithstanding any rule of the House to the contrary, it shall be in order on Tuesday, February 15, 1949, to move that the House resolve itself into the Committee of the Whole House on the State of the Union for consideration of the bill (H. R. 2632) making appropriations to supply urgent deficiencies for the fiscal year 1949, and for other purposes, and all points of order against the bill or any of the provisions contained therein are hereby waived. That after general debate which shall be confined to the bill and continue not to exceed three hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Appropriations, the bill shall be read for amendment under the five-

minute rule. At the conclusion of the reading of the bill for amendment, the Committee shall rise and report the same to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

House Calendar No. 12

81ST CONGRESS
1ST SESSION

H. RES. 99

[Report No. 118]

RESOLUTION

Providing for the consideration of the bill (H. R. 2632) making appropriations to supply urgent deficiencies for the fiscal year 1949, and for other purposes.

By Mr. SABATH

FEBRUARY 14, 1949

Referred to the House Calendar and ordered to be printed

The SPEAKER. That would be in accordance with the rules of the House.

Mr. RANKIN. Certainly. That is just what happened in the committee this morning. I demanded a roll call and asked for a showing of hands, and more than one-fifth voted for a roll call. One member tried to appeal from the decision, which, of course, was ridiculous. Then a few of them walked out, evidently to keep from going on record.

The SPEAKER. The Chair was only answering the parliamentary inquiry. He does not know what happened in the committee.

EXTENSION OF REMARKS

Mr. PATMAN asked and was given permission to extend his remarks in the RECORD on three subjects and include certain statements and excerpts.

Mr. FORAND asked and was given permission to extend his remarks in the RECORD and include a resolution adopted by the general assembly of his State.

Mr. YATES asked and was given permission to extend his remarks in the RECORD and include an editorial appearing in the Chicago Sun-Times.

Mr. TRIMBLE asked and was given permission to extend his remarks in the RECORD and include a report from a soil conservation district.

Mr. HARE asked and was given permission to extend his remarks in the RECORD and include an article appearing in the Emory Alumnus.

Mr. McSWEENEY asked and was given permission to extend his remarks in the RECORD and include some statistics he has gathered relative to the Taft-Hartley law.

Mr. BROOKS asked and was given permission to extend his remarks in the RECORD and include certain articles and excerpts.

Mr. MULTER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD in three instances and include extraneous matter. In one instance, the Government Printing Office advises me the cost will be $159.75 and that it will take 2¼ pages of the RECORD, but I ask that it be printed notwithstanding that fact.

The SPEAKER. Without objection, notwithstanding the cost, the extension may be made.

There was no objection.

[The matter referred to appears in the Appendix.]

PERMISSION TO ADDRESS THE HOUSE

Mr. RODINO. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

COMMITTEE ON VETERANS' AFFAIRS

Mr. RODINO. Mr. Speaker, I am a new Member of Congress. I am also an honorably discharged veteran of World War II, having served 5½ years—3½ years of this time overseas. I have a deep and sincere interest in the veteran. I believe that our Nation owes a great debt of gratitude to the men who served it, and who helped to save our way of life—the great American way.

I deem it a singular honor and privilege to be able to serve on the House Committee on Veterans' Affairs.

Today the Committee on Veterans' Affairs had under consideration a general pension bill for veterans. In my opinion, the people of our country are grateful that these men were able to preserve our democratic processes and they would like to make this feeling manifest through a measure of this kind. However, even while such a measure is under consideration, we must not yield any of our democratic processes. The veteran fought to preserve our democratic way—and as a Member of Congress—it is my solemn duty to continue to fight to preserve that way. And I intend to do so unceasingly.

This opportunity I do not believe was afforded to us because of the objectionable way in which the chairman of the House Veterans' Affairs Committee conducted today's meeting.

The chairman of that committee has charged that seven members ran out on the veterans when considering the general pension bill. I take issue with that remark. My interest in the welfare of the veteran is as great as his—but I am strenuously opposed to what I regard as the undemocratic method he has used in the conduct of today's meeting. I feel that the gentleman from Ohio [Mr. HUBER] who walked out with us, reflected a commendable attitude.

I did not walk out on the veteran. I shall never walk out on the veteran. I shall always fight for the welfare of the veteran. But I shall also continue to fight for the things the veteran fought for—the preservation of our democratic principles.

PERMISSION TO ADDRESS THE HOUSE

Mr. CHUDOFF. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

COMMITTEE ON VETERANS' AFFAIRS

Mr. CHUDOFF. Mr. Speaker, I too am a new Member of Congress. The gentleman from Mississippi would like you to believe that the reason the members of the Committee on Veterans' Affairs walked out this morning did so because they are walking out on the veterans. I think that is an unfair statement. I believe the first obligation of the Congress is to the veteran. I think every member that walked out this morning walked out only because the chairman was not adhering to the rules of the House, and was acting in a dictatorial fashion.

AUTHORIZING READING OF WASHINGTON'S FAREWELL ADDRESS

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that on Tuesday, February 22, 1949, Washington's Farewell Address may be read by a Member to be designated by the Speaker.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts [Mr. McCORMACK]?

There was no objection.

COMMITTEE ON EXPENDITURES IN THE EXECUTIVE DEPARTMENTS

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the Committee on Expenditures in the Executive Departments be permitted to sit today during general debate.

Mr. RICH. Mr. Speaker, reserving the right to object, I understand there is important legislation here. Will we be notified when the general debate is over and when the bill is being read for amendment?

Mr. McCORMACK. I will see that that is done. The rule calls for 3 hours of general debate.

Mr. RICH. The gentleman states that the committee will be notified?

Mr. McCORMACK. I will see to it that that is done.

Mr. RICH. Mr. Speaker, with that explanation I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts [Mr. McCORMACK]?

There was no objection.

SPECIAL ORDER GRANTED

Mr. PATMAN. Mr. Speaker, I ask unanimous consent that on tomorrow, at the conclusion of the legislative program of the day and following any special orders heretofore entered, I may be permitted to address the House for 20 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Texas [Mr. PATMAN]?

There was no objection.

CALL OF THE HOUSE

Mr. MARTIN of Massachusetts. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. COOPER. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 9]

Abbitt	Hoffman, Ill.	Reed, Ill.
Allen, Ill.	Irving	Richards
Barden	Jackson, Calif.	Riehlman
Bennett, Fla.	Jenison	Sanborn
Bloom	Jenkins	Scott, Hugh D., Jr.
Bonner	Jones, Mo.	Scudder
Boykin	Judd	Shafer
Bulwinkle	Kee	Short
Burnside	Kennedy	Smith, Ohio
Byrne, N. Y.	Linehan	Somers
Carlyle	McMillan, S. C.	Staggers
Colmer	Magee	Stockman
Coudert	Mason	Tackett
Curtis	Miles	Taylor
Dawson	Miller, Calif.	Teague
deGraffenried	Mitchell	Thomas, N. J.
Dingell	Monroney	Towe
Dolliver	Morrison, La.	Velde
Douglas	Morton	Weichel
Ellsworth	Nixon	White, Idaho
Gavin	O'Toole	Whitten
Gorski, Ill.	Pace	Willis
Halleck	Pfeifer, Joseph L.	Wilson, Ind.
Heffernan	Poulson	Woodhouse
Herter	Powell	
Hinshaw		

The SPEAKER. On this roll call 355 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

COMMITTEE ON EXPENDITURES IN THE EXECUTIVE DEPARTMENTS

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the Committee on Expenditures in the Executive Departments be permitted to have until midnight to file a report on the bill H. R. 782.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

FIRST DEFICIENCY APPROPRIATION BILL, 1949

Mr. SABATH. Mr. Speaker, I call up House Resolution 99 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That, notwithstanding any rule of the House to the contrary, it shall be in order on Tuesday, February 15, 1949, to move that the House resolve itself into the Committee of the Whole House on the State of the Union for consideration of the bill (H. R. 2632) making appropriations to supply urgent deficiencies for the fiscal year 1949, and for other purposes, and all points of order against the bill or any of the provisions contained therein are hereby waived. That after general debate which shall be confined to the bill and continue not to exceed three hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Appropriations, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the bill for amendment, the Committee shall rise and report the same to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final pasage without intervening motion except one motion to recommit.

Mr. SABATH. Mr. Speaker, later I shall yield 30 minutes to the gentleman from New York [Mr. WADSWORTH].

Mr. Speaker, this rule makes in order the consideration of the bill H. R. 2632, the first deficiency appropriation bill. The rule waives all points of order and provides for 3 hours of general debate, after which the bill will be read for amendment under the 5-minute rule.

Mr. Speaker, the older Members know my position with respect to legislation carried in appropriation bills. However, I think I owe it to the new Members to explain that it is the duty and the function of the legislative committees to bring in legislative proposals.

The regular rules of the House preclude the Committee on Appropriations from bringing in new legislation, its jurisdiction being confined to making appropriations. Notwithstanding the fact that I have been opposed and am still opposed to the Committee on Appropriations reporting legislation in their general appropriation bills, I feel in this instance that this being a deficiency appropriation bill a waiver of points of order should be had and I favor the passage of the bill for the following reasons. Unfortunately the Republican Eightieth Congress, went out of its way through waiver of points of order in restricting certain appropriations which have affected and which might affect the efficiency of some departments of government and which even make it impossible for some of the departments to perform their duties and functions as authorized by the Congress. Consequently I feel we are justified in agreeing to this rule which waives points of order on certain items in the bill.

Before I go any further in discussing provisions of the bill which will later on be explained by the chairman and members of the Committee on Appropriations, I am sure to the satisfaction of the House, I want to say that the Committee on Appropriations has filed and there is available to all Members a report showing the various appropriations provided for, including those that would be subject to points of order. I would advise the new Members to familiarize themselves with this report because, while 3 hours of general debate are provided for, a reading of the report will give them an opportunity to know the contents of the bill. I am satisfied that after careful consideration by the membership they will vote for the rule and later vote for the bill. I think the bill has been carefully prepared. There are reductions from the original amounts asked for by the budget to the extent, I believe, of $14,000,000. That shows that the Committee on Appropriations has been careful in passing on this legislation before reporting the same to the House. I urge the members to adopt the rule and vote for the passage of the bill.

Mr. Speaker, I reserve the balance of my time and now yield 30 minutes to the gentleman from New York [Mr. WADSWORTH].

(Mr. SABATH asked and was given permission to revise and extend his remarks.)

Mr. WADSWORTH. Mr. Speaker, I yield 5 minutes to the gentleman from Ohio [Mr. BROWN].

(Mr. BROWN of Ohio asked and was given permission to revise and extend his remarks.)

Mr. BROWN of Ohio. Mr. Speaker, as the gentleman from Illinois [Mr. SABATH] has explained, House Resolution 99 makes in order the consideration of H. R. 2632, a bill to make appropriations to supply deficiencies for the fiscal year which ends June 30. The rule also provides for 3 hours of general debate and, in addition, which is very important, waives all points of order on the different sections of the bill.

I wish to say with all the seriousness and conviction at my command that every Member of the House had better look over this bill carefully. I have served for a great many years on the Rules Committee, and H. R. 2632 is one of the most cleverly drawn measures that I have seen in a very long time. When it was brought before the Rules Committee it was not even in printed form. It had not been reported from the committee, and it had not even been introduced in the House. It was practically impossible to get any information as to what the measure contained. Then some of us on the committee began to ask some questions, and we found that there are many provisions and sections in this bill which are actually of a type that the House should consider, as separate pieces of legislation or each item by itself, and decide for itself, after due consideration, just what policy it desires to follow on such widely different important issues.

For instance, no one can find any fault with some of the sections in this bill, such as those taking care of the needs of the Vice President, or the usual payments to widows of deceased Members. I am sure something has to be done for the Capitol Building and the House and Senate chambers. So that is proper legislation in a measure like this.

The section providing additional fees for jurors in the Federal courts can easily be explained. Also the provision to carry out the intent and purpose of the new law relative to the President's salary, and also for the other matters which have been authorized by the Congress.

Then the bill carries some other provisions. For instance, grants to States for public assistance in connection with administration of unemployment compensation. Incidentally I think it might be well for all Members of the House to check rather carefully to find out just what compensation will be given to each State to carry out the provisions of this law. I can say to you frankly that, regardless of political affiliation, the public officials of the State of Ohio are not at all satisfied with the treatment which that great State has received in this connection.

Then I want to refer, please, to page 7, line 19, the item for the Tennessee Valley Authority. I wonder how many of you can read that section just by a cursory reading, and determine that it is a provision to build, to construct, and to put into operation, the Johnsonville steam plant, which this Congress turned down by direct legislative action, when it refused to put the Tennessee Valley Authority and the United States Government fairly and squarely into the business of producing electric power. That, and nothing more nor less, is all this steam plant section of the bill amounts to.

Mr. SABATH. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. If the gentleman will give me additional time, I will be glad to yield to him. Yes, if the gentleman will give me 5 minutes extra, I will be more than glad to yield to the gentleman.

When you vote for this rule waiving these points of order, you will make it so they can put into operation this steam plant down in the Tennessee Valley.

The SPEAKER pro tempore. The time of the gentleman from Ohio [Mr. BROWN] has expired.

Mr. WADSWORTH. Mr. Speaker, I yield the gentleman three additional minutes.

Mr. BROWN of Ohio. This steam plant is to be constructed at an expense of $2,950,000 of the taxpayers' money, to do something that we have been told all these years the Tennessee Valley Authority never intended to do; that is, to go into direct competition with our privately owned public utilities.

Mr. EVINS. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. I am sorry; I cannot yield.

I want to go on, if I may. Here in the bill is a provision to continue the life of the War Assets Administration. The House has already passed a bill, just this last week, to extend its life, but we do not know what the Senate or the President may do about it. It might surprise some of you to find that the President may want to do something about liquidating these matters.

I want to go a little further in the discussion of the bill quickly because of time limitation; I want to refer to line 17 on page 16. The entire intent and purpose, force and effect of this particular section is to put Mike Straus and Richard Boke back on the pay roll out in California on the Central Valley project. You and I know that a law was passed by the last session of Congress to require that licensed and properly accredited engineers be named for supervisory work of this type because a situation developed out there which was so scandalous, and the waste of the money of the taxpayers of this country has been so great, that, in the opinion of congressional committees which have been investigating, something had to be done.

Mr. SABATH. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. I will yield if the gentleman from Illinois will grant me more time.

If you want to put Mr. Straus and Mr. Boke back on the pay roll and permit this same sort of wasteful activity to go on, then vote for this rule; but if you want to stand by the legislation previously enacted by the Congress, then vote against the rule. I say to you, Mr. Speaker, that this rule should be voted down. It is time that we bring an end to the waiving of points of order on appropriation bills. Yes, it is time we stop certain committees of this House from legislating by circumvention without permitting the Members of the House to really know what they are voting on. I hope this rule will be voted down. So I ask for a vote of "No" on the adoption of this rule.

The SPEAKER pro tempore. The time of the gentleman from Ohio has expired.

Mr. SABATH. Mr. Speaker, I yield 5 minutes to the gentleman from Texas [Mr. LYLE].

Mr. LYLE. Mr. Speaker, I concur with my distinguished colleague from Ohio, Mr. BROWN, that this membership should have full information on this measure—indeed, on every measure that is presented to the House. I would not willingly be a party to any procedure depriving the House of information. Appropriation bills are by their nature difficult to draft and difficult to present. Those of us not serving on that great committee must depend upon the report and hearings accompanying each bill and upon the debate. At this moment the provisions of the first deficiency appropriation bill, 1949, are not in issue, nor is the continuing controversy of "legislation in appropriation bills" in issue.

The question is, Shall the House follow the recommendation of its Committee on Rules and consider the proposed deficiency appropriation bill without the privilege of attack upon its many items by the use of points of order?

This procedure for the consideration of such a measure is by no means new or unusual. It is not inconsistent with the customs and practice of this body. The position of the gentleman from Ohio in requesting the House to vote against the adoption of the rule is, however, seemingly inconsistent. During the last Congress and for many, many years before, appropriation bills were consistently considered under similar rules.

It is a good rule. It is a necessary rule, for it permits the expeditious consideration of the many and varied problems and issues arising almost daily before the Congress. For example: The bill we seek to consider provides funds for the widows of two of our deceased colleagues. Should it be necessary to refer such an accepted practice to a legislative committee for authorizing legislation? We think not. But without the adoption of this rule a point of order properly raised would likely be sustained. That, to be sure, would not be done. It is an example, however, of the necessity and correctness of this character of procedure.

This rule is democratic. It permits any Member to challenge any part of the bill with which he disagrees by offering an amendment, and it permits the House, by a majority vote, to effect any change its will dictates.

This rule is fair for it makes in order 3 hours of general debate. During that time any Member who desires can surely inquire fully into any or all provisions.

I, too, regret that the Committee on Appropriations has found it necessary at times to write into its bills legislation. I regretted that in the Eightieth Congress. For instance, the matter discussed by the gentleman from Ohio [Mr. BROWN] concerning the Bureau of Reclamation, the hiring of certain personnel, was a provision of an appropriation bill passed by the Eightieth Congress. That appropriation bill came to this floor under a similar rule—one waiving points of order. I have that resolution in my hand. It was House Resolution 615, Eightieth Congress. It was recommended by the Committee on Rules of that Congress. The gentleman from Ohio [Mr. BROWN] was then a member of that committee.

Mr. TABER. Mr. Speaker, will the gentleman yield?

Mr. LYLE. I yield to the gentleman from New York.

Mr. TABER. The fact of the matter is that provision was not in the bill as it was reported to the House by the Appropriations Committee. It was put in by amendment. If it was out of order when it was offered, a point of order could have been made against it.

Mr. BROWN of Ohio. Mr. Speaker, will the gentleman yield?

Mr. LYLE. I yield to the gentleman from Ohio.

Mr. BROWN of Ohio. Inasmuch as the gentleman has referred to me, I call his attention to the fact mentioned by the gentleman from New York that the item to which he refers was not in the bill at the time a rule was granted. It was placed in on the floor of the House by an amendment offered by a Democrat from California, by the way, a member of the minority at that time. It was the result of legislation which had been introduced and passed in the Senate. It was introduced in the Senate by Senator DOWNEY, of California. That was not partisan. It was just a very, very good American move.

Mr. LYLE. That is the point I would impress upon you. This procedure is not partisan, nor is it restrictive. Under this rule, any germane amendment may be offered and may be adopted.

It may well be that the House in its wisdom will retain the restrictive clause adopted during the previous Congress. Assuredly, it can do so.

Consideration of the bill under this rule by no means insures its passage in toto. A "yea" vote on the rule does not and is not intended to bind any Member in support of the measure in whole or in part. It permits orderly consideration. It permits the issues to be considered by a majority. It prohibits an individual from successfully urging points of order against individual items and provisions of the bill.

The adoption of this rule is consistent with good legislative procedure and is in accord with the custom and practice of the House. The issues—many of them justly controversial—that will be raised during the consideration of the bill on its merits can be resolved in an orderly and democratic way. I urge the adoption of the rule.

(Mr. LYLE asked and was given permission to revise and extend his remarks.)

Mr. WADSWORTH. Mr. Speaker, I yield myself such time as I may desire to use.

Mr. Speaker, for some years I have been disturbed about the tendency of the Appropriations Committee to absorb the function of legislating, and I am not criticizing individual members of that committee.

In the bill covered by the pending rule there are something like 10 of those instances. I do not intend upon this occasion to discuss any but 1 of them, which will be found at the bottom of page 16 of the bill and has to do with legislation passed by the last Congress prescribing certain qualifications for the Commissioner of Reclamation, the Assistant Commissioner, and regional directors in the reclamation-project areas.

I think it fair to the House to give the Members, and it must be brief because my time is not long, the background of that legislation. I happen to be familiar with it because I was a member of a subcommittee of the Committee on Expenditures in the Executive Departments directed by the full committee to investigate publicity and propaganda activities of the executive departments, a field in which we knew at the time the bureaucracy had been engaged over many, many years at ever-increasing expense until the information reached us that a total of $75,000,000 was being spent by publicity agencies of the various departments.

In investigating the publicity propaganda efforts of the Bureau of Reclamation we stumbled upon some exceedingly interesting and, I might say, distressing facts. Those facts were submitted in a report by our committee to the Congress, but I doubt if that report, which was made late in the session, was read by a great many Members in the confusion of the closing days.

Going back as briefly as I can to tell the story—and it is not a very nice story—the budget recommended to the Congress in the early winter of 1947 an appropriation of $30,000,000 to carry on the work in the Central Valley of California project, whose headquarters are at Sacramento. According to the budget estimates there would be an unexpended balance at the end of the fiscal year June 30, 1947, of something like $10,000,000. The budget recommended the reappropriation of that $10,000,000 and an additional $20,000,000 of new money, making a total of $30,000,000. The Committee on Appropriations of the House, and later the Committee on Appropriations of the Senate, found that the accounts and the reports of the reclamation district out there in the Central Valley project were most unreliable. When inquiries were made as to how much money they would actually have left to spend at the end of the fiscal year it was found, in the first instance, that they reported they would have $19,000,000 instead of $10,000,000, and then we found in the papers of the Department a report from Sacramento itself to Mr. Straus, the Commissioner of Reclamation, that actually they would have $25,000,000 left unexpended. Mr. Straus withheld this information from the Congress. And finally, in desperation, either the Senate committee or the House committee appealed to the Bureau of the Budget to actually find out how much money they would have left unexpended at the end of the fiscal year, and the budget reported in round figures $21,000,000. So, the Congress, acting in accordance with the recommendation of the budget, appropriated the $21,000,000 unexpended balance, and added $9,000,000 plus in order to make the total expendable in the next fiscal year $30,000,000, almost exactly the figure recommended by the President.

Now, what happened? The Bureau of Reclamation was outraged by this. It began agitating in California against the stinginess of the Congress. We found any number of examples of that. But, let me tell you what that regional office out there did. The man at the head of the regional office was a man named Richard L. Boke. He had never had the slightest experience as an engineer, nor had he ever administered any large undertaking. Under him was a man named Calland, his first assistant. On June 17, 1947, this man Calland sent out a letter to all of the Reclamation officials in the Sacramento Valley region. On June 17 the Congress was just finishing up the appropriation bills, and it was then perfectly apparent that the Central Valley project was going to get $30,000,000. I will read you a portion of that letter, which was dated June 17, 1947:

> Subject: Means of effectuating the regional director's responsibilities for construction on programming and execution, region 2
>
> 1. For reasons valid or otherwise, the construction program in the region has fallen far behind schedule. Because of failure to meet estimated progress, large amounts of appropriated funds have remained unspent at fiscal year ends. This fact has brought severe criticism upon us from the Secretary of the Interior, the Commissioner, from members of congressional appropriations committees, and from others.
>
> 2. The heavy carry-over from the current fiscal year (1947) plus an appropriation in the order of amounts recently passed by the Senate and House of Representatives will give us a total of funds available for fiscal year 1948 which is far above that required to meet our current rate of spending. The Secretary and the Commissioner are insistent that 1948 funds be spent early in the year—by January 1, if possible.

There is an order sent out with the approval of the high command, that, despite the fact that the Congress said they should have $30,000,000 to cover an entire fiscal year, they must spend it in half a year; and that was done, under the most peculiar circumstances.

As late as September 1947, after the new fiscal year had started, there was a meeting of the reclamation officials at Salt Lake City, about September 1, at which it was generally understood that there was sufficient money left in the appropriations to go at least until February 1, 1948, at which time the Congress would be in session and a deficiency could be asked for, if necessary. Nothing was said about their going broke, until suddenly, on November 26, 1947, a conference met at Sacramento at the rgeional office, from which it was announced to California and the entire western coast that there was no money left, that all major contracts had to be suspended. Incidentally, Boke, the regional director, did not attend the conference. He had gone off on a vacation 3 or 4 days before.

Mr. Boke upon the stand said, "Yes," he knew about Calland's letter. He had not heard of it, he said, although Calland was his first assistant, until it had been out for 5 or 6 or 7 days. We asked him if he took any measures to counteract that letter which carried the order to this vast organization. He said, "No," he had not. We asked him why he had not done so. For administrative reasons, he said. That is all the explanation we could get.

I asked him if he thought the Calland letter was in conformity with the intent of the Congress, and he admitted it was not.

What happened? The contracts were closed down. One thousand six hundred employees of the contractors were thrown out of work. The contractors filed claims for damages amounting to $1,900,000. Were any Federal employees suspended from employment? Not one. They kept them all on, although most of the work in the field had stopped.

Senator WHERRY heard of this thing a day or two before it happened. He was completely surprised. The members of our Committee on Appropriations did not hear of it until afterward. They were completely surprised.

The instant that close-down took effect they flooded the California newspapers with violent attacks against the Congress for not having appropriated enough money. Now, that is the fact. There is your propaganda, deliberate, although they had violated all decent rules of financial management in spending in 6 months the amount of money which the Congress said should last them for 12 months. That is the fact.

The committee employed one of the best-known chartered public accountanas in San Francisco to look into the books of that office at Sacramento, the regional office.

After a lengthy investigation and auditing he found that instead of their being broke on November 26 there were $7,000,000 still left unspent. That is the kind of administration we had. It did not stop there. I have referred to the meeting at Salt Lake City attended by reclamation officers from the Western States. It was attended by the Secretary of the Interior and by the Commissioner of Reclamation, Mr. Straus, as well as all the regional directors and engineers. In the appropriation bill which was passed applicable to the year commencing July 1, 1948, the Congress had seen fit to reduce the appropriations for their information and publicity services from $150,000 to $50,000. Of course, that was with the intent and in the expectation that the personnel employed in this publicity propaganda business—and we saw a great deal of the publications and many of them were not at all sensible—would be dropped from the pay roll. Did that happen? Not one of them was dropped from the pay roll. In the meeting at Salt Lake City Mr. Straus, the Commissioner of Reclamation, described how they had avoided dropping anybody from the pay roll. He said he changed the name plates of the persons: he transferred them to jobs with different names and left them on the pay roll.

You may be interested to know what the chief engineer of the Reclamation Service said about that. The chief engineer, Mr. Young, made a speech before that gathering, and we obtained transcripts of all the speeches, in which he said—I quote:

> There was a legal procedure involved there and we even went so far as to perjure ourselves to get ourselves out of the woods. It didn't amount to anything in money, but the principle is there.

There you have it—he admitted perjury.

Now that is the atmosphere in which this thing has been run by Straus and Boke. I am telling you the truth about it. Another little incident occurred out there which may be of interest. It may not be important, but the Secretary of the Interior was present at that Salt Lake City meeting and made an address. He was denouncing the Congress, as they all did. This merely indicates the contempt in which certain elements of the bureaucracy hold the Congress. He was denouncing the Congress and he said

apropos of his connections and contacts with the Congress:

When you try to explain these matters to some "jass-ack" from across the river who has never had anything to do with such a construction program in his life, why you really got to have an excuse, and then I doubt it will do any good.

"Jass-acks," I greet you!

Well, I asked him in the hearings:

What river did you have in mind, Mr. Secretary?

Secretary KRUG. I do not recall, but I meant the general problem of explaining carry-overs to anyone. * * *

Mr. WADSWORTH. To what river did you refer?

Secretary KRUG. Perhaps the Mississippi—I do not know.

Mr. WADSWORTH. I am disappointed. I thought perhaps you were going to say the Hudson.

Mr. Speaker, in view of the facts which were brought out, and many others which I have not related to you—many others—the Congress last year provided, in an amendment to an appropriation bill, to be sure, as a restriction on the expenditure of funds, that hereafter public funds shall not be expended for the salaries of the Commissioner of Reclamation and the Assistant Commissioner of Reclamation or a regional director, unless that officer has had 5 years' experience as an engineer and administrator. That provision took effect on January 1 of this year. I suppose Mr. Straus and Mr. Boke are out of office. Here we have in an appropriation bill a provision to put them back. The Committee on Public Lands has had no chance whatsoever to look into this thing, and as I understand it, it falls rightly within the jurisdiction of that committee. I do not think it is the part of the Committee on Appropriations to bring in an item like this asking a waiver of all points of order, in order that those two men, whose incompetence was demonstrated over and over again, may be reappointed. I am not violating any confidence. It is a matter of public knowledge that a sterling Democrat on our subcommittee, the gentleman from Texas [Mr. WILSON] wrote his own report about those people and was just as severe as the report written by the other members on the Republican side. There was no party division on that subcommittee. I am hoping that in view of this situation the Public Lands Committee will be given a chance to look into these things, which they will not have if this rule is adopted.

Mr. CRAWFORD. Mr. Speaker, will the gentleman yield?

Mr. WADSWORTH. I yield.

Mr. CRAWFORD. As a member of the Public Lands Committee, I want to extend my appreciation to the gentleman for making this information available to me and other members of the committee.

Mr. WADSWORTH. It is all in our committee report.

Mr. CRAWFORD. This information has not been before our committee heretofore.

The SPEAKER pro tempore. The time of the gentleman from New York, [Mr. WADSWORTH] has expired.

Mr. SABATH. Mr. Speaker, all of the Members who were here in the Eightieth Congress, when the Republicans were in power, remember that that restriction was placed in the appropriation bill then under consideration, stopping the payment to those two men, and also a restriction on expenditures in reclamation. It was passed when only a few Members were on the floor of the House.

This matter had been considered by three committees of the Congress and by the Senate Appropriations and the House Appropriations Committee, and both committees found no reason to take any action against either Commissioner Straus or Mr. Boke. Both committees, by nearly unanimous action, recommended that appropriations be provided for both these gentlemen because the committees undoubtedly realized that while the Reclamation Division employed hundreds of engineers, it was also quite necessary that the Division be staffed with men possessing administrative and executive ability, which both these gentlemen have demonstrated in long years of Government service. These men sought to protect the public interest, and the fight against them were by those who were more interested in the private power interests.

Mr WIGGLESWORTH. Mr. Speaker, will the gentleman yield for a question?

Mr. SABATH. I am sorry I cannot yield now.

Now, the gentleman from New York [Mr. WADSWORTH] has quoted some speeches. We all sometimes make speeches here and there, and sometimes use words that may not be proper or that would not appeal to everyone. Now, the gentleman has paid a great deal of attention to it, and I hope that he is not being misled, as other people have been misled in California, due to the publicity that was given to this matter by the private power corporations that were opposed to the rulings of Straus and the Department of Reclamation, because they were trying to safeguard and protect the efforts on the part of the Government to construct, build, and complete projects in the interest of the public and not in the interest of a few private power interested corporations.

I am informed that a great deal of advertising space in California newspapers was used and paid for by the private corporations opposed to the ruling of the Secretary of the Interior and the Bureau of Reclamation refusing to yield on the 160-acre limit that Congress established, and because they failed to grant the things the private interests were seeking which would have been against the best interests of the Government and the people in that section of the country.

Mr. HAVENNER. Mr. Speaker, will the gentleman yield?

Mr. SABATH. I yield.

Mr. HAVENNER. Can the gentleman say whether the Rules Committee was given any information about the very large sums of money expended by the private power companies through the newspapers and advertising agencies in the Central Valley area to persuade the people of California that the Government's program for public control of the power development on the Central Valley project was an evil thing? Does he know that millions of dollars were expended by the private power companies of California through newspapers and other agencies of propaganda to conduct this enormous advertising campaign? And that the power companies charged up to operating expenses the cost of these newspaper advertisements and the other propaganda, and that those operating expenses in turn were charged up to the ratepayers of these private corporations, who are taxpayers of California? Has that information been brought before the Committee on Rules?

Mr. SABATH. No; it was not brought to the attention of the Committee on Rules; but I have received such information from certain sources that have been opposed to the activities of these large private power corporations which are trying in every conceivable way to obtain benefits to the disadvantage of the Government and the taxpayers.

Now, may I say to my Republican friends that an outstanding Republican Member in the last Congress, Mr. Robert Jones, of Ohio, chairman of the subcommittee, insisted on the floor that the money should be expended, that these improvements should be proceeded with in haste, and that if he had the power he would demand, and urge, bringing about still greater speed in the execution of these projects that were criticized by the gentleman from New York.

Mr. JENSEN. Will the gentleman yield for a question?

Mr. SABATH. I regret I cannot yield. I have the floor and shall delete anything the gentleman may have said which the reporter may have taken down in his interruption during the course of my remarks.

Mr. Speaker, personally, I am satisfied that the Committee on Appropriations that has heard the evidence used good judgment in embodying in the bill before us the various provisions contained therein striking out restrictions put in by the Republican Congress so as to hamstring the various departments in every conceivable way in the performance of their duty in the interest of the country. It was generally recognized then, and it is known now, the American people have spoken and disagreed with the policy of the celebrated Eightieth Congress.

In view of the existing situation I feel that the rule should be adopted and the bill passed.

(Mr. SABATH asked and was given permission to revise and extend his remarks.)

Mr. SABATH. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the resolution.

Mr. TABER. Mr. Speaker, upon that I ask for the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 242, nays 121, not voting 70, as follows:

[Roll No. 10]

YEAS—242

Abernethy	Gore	Noland
Addonizio	Gorski, N. Y.	Norblad
Albert	Gossett	Norrell
Allen, La.	Granahan	O'Brien, Ill.
Andrews	Granger	O'Brien, Mich.
Angell	Grant	O'Hara, Ill.
Aspinall	Green	O'Konski
Bailey	Gregory	O'Neill
Baring	Gross	O'Sullivan
Barrett, Pa.	Hagen	Pace
Barrett, Wyo.	Hardy	Passman
Bates, Ky.	Hare	Patman
Battle	Harris	Patten
Beckworth	Harrison	Perkins
Bentsen	Hart	Peterson
Biemiller	Havenner	Philbin
Blatnik	Hays, Ark.	Phillips, Tenn.
Bloom	Hays, Ohio	Poage
Boggs, La.	Hébert	Polk
Bolling	Hedrick	Powell
Bolton, Md.	Herlong	Preston
Brooks	Hobbs	Price
Brown, Ga.	Holifield	Priest
Bryson	Holmes	Quinn
Buchanan	Horan	Rabaut
Buckley, Ill.	Howell	Rains
Buckley, N. Y.	Huber	Ramsay
Burdick	Hull	Rankin
Burke	Jackson, Wash.	Redden
Burleson	Jacobs	Rhodes
Burton	Jennings	Ribicoff
Camp	Johnson	Rivers
Cannon	Jones, Ala.	Rodino
Carnahan	Jones, N. C.	Rogers, Fla.
Carroll	Karst	Rooney
Cavalcante	Karsten	Sabath
Celler	Kee	Sadowski
Chatham	Kelley	Sasscer
Chelf	Keogh	Sheppard
Chesney	Kerr	Sikes
Christopher	Kilday	Sims
Chudoff	King	Smathers
Clemente	Kirwan	Smith, Va.
Combs	Klein	Spence
Cooley	Kruse	Staggers
Cooper	Lane	Stanley
Cox	Lanham	Steed
Crook	Larcade	Stigler
Crosser	Lemke	Stockman
Davenport	Lesinski	Sullivan
Davies, N. Y.	Lind	Sutton
Davis, Ga.	Lucas	Tauriello
Davis, Tenn.	Lyle	Teague
Deane	Lynch	Thomas, Tex.
Delaney	McCarthy	Thompson
Denton	McCormack	Thornberry
Dollinger	McDonough	Tollefson
Donohue	McGrath	Trimble
Doughton	McGuire	Underwood
Douglas	McKinnon	Wagner
Doyle	McSweeney	Walsh
Durham	Mack, Ill.	Welch, Mo.
Eberharter	Mack, Wash.	Wheeler
Elliott	Madden	Whitaker
Engle, Calif.	Magee	White, Calif.
Evins	Mahon	White, Idaho
Fallon	Mansfield	Whitten
Feighan	Marcantonio	Whittington
Fernandez	Marsalis	Wickersham
Fisher	Marshall	Wier
Flood	Merrow	Williams
Fogarty	Miller, Calif.	Willis
Forand	Miller, Nebr.	Wilson, Okla.
Frazier	Mills	Winstead
Fugate	Morgan	Withrow
Furcolo	Morris	Wood
Garmatz	Moulder	Worley
Gary	Multer	Yates
Gathings	Murdock	Young
Gilmer	Murphy	Zablocki
Gordon	Murray, Tenn.	

NAYS—121

Allen, Calif.	Bramblett	Cunningham
Andersen, H. Carl	Brehm	Dague
	Brown, Ohio	Davis, Wis.
Anderson, Calif.	Byrnes, Wis.	D'Ewart
Andresen, August H.	Canfield	Dondero
	Case, N. J.	Eaton
Arends	Case, S. Dak.	Elston
Auchincloss	Chiperfield	Engel, Mich.
Bates, Mass.	Church	Fenton
Beall	Clevenger	Ford
Bennett, Mich.	Cole, Kans.	Fulton
Bishop	Cole, N. Y.	Gamble
Blackney	Corbett	Gillette
Boggs, Del.	Cotton	Golden
Bolton, Ohio	Crawford	Goodwin
Graham	Lichtenwalter	Sadlak
Hale	Lodge	St. George
Hall, Edwin Arthur	Lovre	Scott, Hardie
	McCulloch	Scott, Hugh D., Jr.
Hand	McGregor	
Harden	McMillen, Ill.	Scrivner
Harvey	Macy	Scudder
Herter	Martin, Iowa	Secrest
Heselton	Martin, Mass.	Short
Hill	Meyer	Simpson, Ill.
Hinshaw	Michener	Simpson, Pa.
Hoeven	Miller, Md.	Smith, Kans.
Hoffman, Mich.	Murray, Wis.	Smith, Wis.
Hope	Nelson	Stefan
James	Nicholson	Taber
Jensen	O'Hara, Minn.	Talle
Jonas	Patterson	Van Zandt
Kean	Pfeiffer, William L.	Vorys
Kearney		Vursell
Kearns	Phillips, Calif.	Wadsworth
Keating	Pickett	Walter
Keefe	Plumley	Werdel
Kilburn	Potter	Wigglesworth
Kunkel	Reed, N. Y.	Wilson, Tex.
Latham	Rees	Wolcott
LeCompte	Rich	Wolverton
LeFevre	Rogers, Mass.	Woodruff

NOT VOTING—70

Abbitt	Gorski, Ill.	Nixon
Allen, Ill.	Gwinn	Norton
Barden	Hall, Leonard W.	O'Toole
Bennett, Fla.		Pfeifer, Joseph L.
Bland	Halleck	
Bonner	Heffernan	Poulson
Bosone	Hoffman, Ill.	Reed, Ill.
Boykin	Irving	Regan
Breen	Jackson, Calif.	Richards
Bulwinkle	Javits	Riehlman
Burnside	Jenison	Sanborn
Byrne, N. Y.	Jenkins	Shafer
Carlyle	Jones, Mo.	Smith, Ohio
Coffey	Judd	Somers
Colmer	Kennedy	Tackett
Coudert	Linehan	Taylor
Curtis	McConnell	Thomas, N. J.
Dawson	McMillan, S. C.	Towe
DeGraffenried	Mason	Velde
Dingell	Miles	Vinson
Dolliver	Mitchell	Weichel
Ellsworth	Monroney	Welch, Calif.
Fellows	Morrison	Wilson, Ind.
Gavin	Morton	Woodhouse

So the resolution was agreed to.

The Clerk announced the following pairs:

On this vote:

Mrs. Norton for, with Mr. Halleck against.

Mr. Kennedy for, with Mr. Towe against.

Mr. Vincent for, with Mr. Riehlman against.

Mr. Monroney for, with Mr. Coudert against.

Mr. Dawson for, with Mr. Smith of Ohio against.

Mr. McMillan of South Carolina for, with Mr. Jenkins against.

Mr. Dingell for, with Mr. Reed of Illinois against.

Mr. Gorski of Illinois for, with Mr. Gavin against.

Mr. Joseph L. Pfeifer for, with Mr. Leonard W. Hall against.

Mr. Morrison for, with Mr. Taylor against.

Mr. Heffernan for, with Mr. Weichel against.

Mr. O'Toole for, with Mr. McConnell against.

Mr. Byrne of New York for, with Mr. Shafer against.

General pairs until further notice:

Mr. Abbitt with Mr. Allen of Illinois.

Mr. Richards with Mr. Wilson of Indiana.

Mr. Somers with Mr. Sanborn.

Mr. Burnside with Mr. Dolliver.

Mr. Carlyle with Mr. Fellows.

Mr. Bonner with Mr. Jackson of California.

Mrs. Bosone with Mr. Judd.

Mr. Bennett of Florida with Mr. Mason.

Mr. Boykin with Mr. Nixon.

Mr. Barden with Mr. Ellsworth.

Mr. Jones of Missouri with Mr. Gwinn.

Mr. Regan with Mr. Jenison.

Mr. Bulwinkle with Mr. Morton.

Mr. deGraffenried with Mr. Poulson.

Mr. Irving with Mr. Velde.

Mr. HALE changed his vote from "aye" to "no."

Mr. ANGELL and Mr. HARRIS changed their vote from "no" to "aye."

The result of the vote was announced as above recorded.

Mr. KERR. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 2632) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1949, and for other purposes.

Mr. CASE of South Dakota. Mr. Speaker, a point of order.

The SPEAKER. The gentleman will state it.

Mr. CASE of South Dakota. Mr. Speaker, I make the point of order that the report accompanying the bill, H. R. 2632, does not comply with the so-called Ramseyer rule.

I call the attention of the Chair to the fact that although the resolution which has been adopted waives points of order against the bill by the provisions contained therein it does not specifically waive or exempt the so-called Ramseyer rule which requires that a report accompanying a bill, including appropriation bills, shall set forth in appropriate type the text of the statute it is proposed to repeal.

In this connection I invite the Chair's attention to the fact that on page 8 of the proposed bill, line 6, it is proposed to repeal a title in a previous act of Congress, and again on page 16, lines 15 and 16, the bill carries this language: "and the first, fourth, and fifth provisos under said head are hereby repealed."

I have diligently searched the entire report on the bill and can find no citation of the statute to be repealed in order to comply with the Ramseyer rule.

I make the point of order which, if sustained, as I understand it, would automatically recommit the bill to the committee.

The SPEAKER. The Chair will read the rule:

Notwithstanding any rule of the House to the contrary, it shall be in order—

And so forth—

and all points of order against the bill or any of the provisions contained therein are hereby waived.

The Chair overrules the point of order.

Mr. CASE of South Dakota. Mr. Speaker, will the Chair indulge me for a moment?

The SPEAKER. The Chair will indulge the gentleman.

Mr. CASE of South Dakota. Under the rule in the House Manual, a citation is made to a precedent in the CONGRESSIONAL RECORD of the Seventy-first Congress, second session, page 10595. This citation reads:

Special orders providing for consideration of bills, unless making specific exemption, do not preclude the point of order that reports on such bills fail to indicate proposed changes in existing law. (Cannon's, sec. 9220a; 71st Cong., 2d sess., CONGRESSIONAL RECORD, p. 10595.)

I fail to see any provision in the rule adopted which specifically exempts clause 2a of rule XIII, the Ramseyer rule.

The SPEAKER. The Ramseyer rule is a rule of the House, and this resolution states "all rules to the contrary notwithstanding," it shall be in order to consider the bill.

The Chair overrules the point of order.

The question is on the motion offered by the gentleman from North Carolina [Mr. KERR].

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 2632, with Mr. COOPER in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. KERR. Mr. Chairman, I yield myself such time as I may desire.

Mr. Chairman, my remarks at this time will be limited to a brief summary of the bill and the action of the Committee on Appropriations now presented for consideration by this body.

The report before you contains a rather detailed explanation of each item contained in the bill which is, as you are aware, the first appropriation bill reported to the Eighty-first Congress. First of all I wish to express my appreciation to the other members of the subcommittee, all of whom have been very cooperative and pleasant to work with. We are, of course, honored by having the chairman of the full committee the gentleman from Missouri [Mr. CANNON], as a member of the Subcommittee on Deficiencies and Army Civil Appropriations.

The bill before you contains a total in recommended appropriations of $466,800,000, which represents a reduction of $14,000,000 in the budget estimates. I want to point out, however, that of the total request of $480,800,000 approximately $353,000,000 was requested for items over which neither the administration nor the committee had much control. For example, $151,000,000 is for additional grants-in-aid for public assistance made necessary by the enactment of legislation since the original fiscal year 1949 budget was presented. Almost $103,000,000 is for the postal service, part of which is due to the increased volume of mail and part of which is due to increased transportation rates imposed on the Post Office by the Interstate Commerce Commission and by the Civil Aeronautics Board. An amount of nearly $100,000,000 is included for the veterans' benefits. The net result is that there remained only an amount of something over $127,000,000 in which the committee could effect some reductions, and out of this total the amount of $14,000,000 has been saved.

I wish to call your attention to one item, a recommended appropriation of $2,274,500 for reconstruction of the roof in the House Chamber and for other needed improvements. The Senate made a similar appropriation last year, and it was the thought of the Architect of the Capitol and the committee that considerable savings in the ultimate cost could be effected if the work on both roofs was done simultaneously.

As you read through the report you will notice that many of the deficiency items included in the bill are the result of legislation enacted subsequent to the presentation of the regular fiscal year 1949 estimates. This is the case in connection with the Office of Defense Transportation whose existence was continued until June 30, 1949, by the enactment of Public Law 606, Eightieth Congress.

The Displaced Persons Commission received an initial appropriation of $2,000,000 with a proviso that it could be obligated and expended during the first three-quarters of the fiscal year; hence, the need for this deficiency.

I previously mentioned the grants to States for public assistance. This calls for an amount of $151,000,000 made necessary by the enactment by the Eightieth Congress of Public Law 642, increasing the Federal share of the contributions for old-age assistance, aid to the blind, and aid to dependent children.

With respect to grants to States for unemployment compensation and employment service, the committee is recommending the full amount of the estimate, or $4,987,000. However, the committee, because of the great divergence of opinion on this item, has instituted a study of the situation by its own investigative staff and will later entertain recommendations for such adjustments as the facts may justify.

For the Federal Housing Administration the committee increased the limitation under administrative expenses from $19,000,000 to $23,000,000 because of the tremendous increase in applications for loans. These administrative expenses, as you are aware, come out of the corporate earnings of the Administration and not out of the general fund of the Treasury.

The Housing Expediter requested $7,450,000. The subcommittee recommends $4,800,000, which will carry the activity through the month of May, prior to which time, undoubtedly, some new legislation affecting this agency will be passed by the Congress.

The bill includes $2,950,000 for the Tennessee Valley Authority, of which $2,500,000 is for beginning construction on the New Johnsonville steam plant. Although this item was left out of the regular 1949 appropriation act after considerable discussion of the matter in committee and on the floor, it is the thought of the committee that, so long as this is a Federal project, it should be made as efficient an operation as possible.

The bill includes nearly $100,000,000 for the Veterans' Administration. This amount is largely attributable to amendments to the authorizing act passed by the Eightieth Congress subsequent to the consideration of the regular fiscal year 1949 estimates.

For the War Assets Administration the bill includes the amount of $12,500,000. Under present law this agency is to go out of existence on February 28. However, in view of the President's recommendation for legislation to establish one over-all disposal agency, it is thought that the War Assets Administration should be continued in existence until the end of this year in order that a more orderly transition may be effected when the new agency is established. The bill (H. R. 2402), extending the life of the War Assets Administration to June 30, was, as you are aware, passed by the House yesterday.

Two items are included for the Department of Agriculture. They are not large from the standpoint of money but are nonetheless important. The first is an amount of something over $9,700,000 for establishing acreage allotments for cotton and wheat as provided for in the Agricultural Adjustment Act of 1938. The other item is an increase of something over $3,000,000 in the administrative-expense limitation for the Commodity Credit Corporation. The record crops and the recent drop in prices have trebled the number of loans from that contemplated originally.

There are five items in the Department of Commerce, the most important of which is an amount of $11,000,000, for the census of business authorized by the Eightieth Congress. The census will cover all the retail establishments in the Nation as of December 31, 1948, estimated to number 3,000,000.

Under the Department of the Interior there is an item of $6,000,000 for the Bonneville Power Administration, the amount to be used for extending electrical transmission facilities. Two small items are included for the Bureau of Indian Affairs; one in the amount of $360,000 for the Navajo and Hopi service, mostly for salary increases under Public Law 900, Eightieth Congress, and $385,000 for the welfare of Indians, generally. A number of construction items are included under the Bureau of Reclamation, both from the Reclamation fund and from the general fund. Under the Reclamation fund the bill includes $975,000 for continuing construction on three projects—two in Idaho and one in Utah. Three items are included for construction under the general fund. These also are continuing projects, and the added amounts are made necessary in the main because of contract earnings beyond the availability of appropriations. The total of these three projects is $10,800,000. Also included is an amount of $4,500,000 for the Missouri River Basin project. As most of you gentlemen are aware, this is a development covering 10 States of the Missouri River Basin and includes irrigation, power, navigation, flood control, and water for municipal and other purposes.

A number of items are included for the Corps of Engineers, National Military Establishment. For rivers and harbors a recommended amount of $10,500,000 is to provide for continuing construction on the McNary lock and dam and for beginning construction on the Ice Harbor lock and dam and the Chief Joseph lock and dam, the last two of which are interrelated to the power development in the Northwest area. Under flood control, general, the bill includes $14,000,000 for continuing con-

struction on six projects. The bill also includes $2,500,000 for the emergency fund needed to complete the repair, restoration, and strengthening of levees in the Columbia Basin damaged by floods in May and June 1948.

Almost $103,000,000 is included for the postal service, of which $70,000,000 is for railroad transportation; $17,000,000 for foreign air-mail service, and $13,000,000 for the postal vehicle service. The additional appropriation is made necessary by a temporary increase of 25 percent in rail rates authorized by the Interstate Commerce Commission, and because of a tremendous increase in mail volume. Increased rates were also approved by the Civil Aeronautics Board for foreign air mail.

Three items are included for the Treasury Deparement. In the case of two of these, no action could be taken by the committee. One is the amount of $2,300,000 for the payment of claims and another is $800,000 for refund of moneys erroneously received and covered into the Treasury. The committee allowed $1,500,000 for the Bureau of Engraving and Printing for the printing of an additional 16,000,000 sheets of currency for replacement, principally in the one-dollar-bill category.

As I indicated previously, while the total of appropriations in the bill is substantial, many of the items could not be reduced. I feel that the committee has done a good job and has reduced wherever reductions could be made without jeopardizing the authorized programs of the various departments. I hope that the House will sustain the recommendations of the committee in full.

Mr. TABER. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. [After counting.] One hundred and thirteen Members are present, a quorum.

Mr. TABER. Mr. Chairman, I expect to make no motions with reference to most of the amounts contained in this bill. One exception is the amount for the steam plant at the TVA at Johnsonville, Tenn. I intend to discuss that in a moment.

I will first call attention to two or three of the major items of legislation involved in the bill, to which I am opposed.

At the bottom of page 13 there is an item under "Bonneville Power Administration," and following that on page 14 is an item which repeals the limitation under the head of "Bonneville Power Administration" on the use of funds for force account activities. There is also a limitation on the amount of money that may be spent for propaganda. I am opposed to the repeal of both of those items. They were put in for the protection of the Government.

The force account limitation was put in so that they would have to comply with the rules, and let the jobs to contract and get them done in a reasonable way for a reasonable sum, rather than to fill up the pay roll of the department with a lot of people who were unnecessary, and allow the work to drag and allow the people to work about half, as they had been doing for a long time.

The idea of repealing the limitation on propaganda activities, allowing them to spend all the funds that are appropriated and made available to the agency for propaganda, has no appeal to me.

Mrs. ROGERS of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mrs. ROGERS of Massachusetts. I notice that the committee has given the amount for the Veterans' Administration asked for by the budget. Is that correct?

Mr. TABER. Yes.

Mrs. ROGERS of Massachusetts. Did the Veterans' Administration ask for any more than the budget allowed?

Mr. TABER. They did not. The item with reference to the Veterans' Administration appears on page 8. There is an item for national service life insurance, $55,000,000. They stated that they thought that would carry them through to the end of the year without any trouble.

The next item is $190,000 for soldiers and sailors civil relief, which is a very small item and a very small activity.

The next item is $44,189,000. That is for veterans' miscellaneous benefits. They told us that they thought that would carry them through all right.

Mrs. ROGERS of Massachusetts. Did the Veterans' Administration give any information as to when the accumulated dividends would be paid to the veterans?

Mr. TABER. They did not in these hearings; no. I did not expect, the way they were operating on that, that such a result would come about for 2 or 3 months, in all probability.

Mrs. ROGERS of Massachusetts. I thought if perhaps more persons were put on the work the men might receive the dividends sooner.

Mr. TABER. It would be better if they could.

Mr. RABAUT. I should think that would be a matter to be referred to the regular subcommittee having veterans' affairs in charge.

Mr. TABER. That would be an item that would be considered when the regular annual bill came up. We took up nothing in this bill but deficiency estimates; and some of those deficiency estimates were considered in regular committee.

Mrs. ROGERS of Massachusetts. There would be an appropriation, because they have the authority for it already.

Mr. TABER. If it were necessary to make an appropriation in order to meet what expenditures were required there would be no delay that I know of in anything of that kind by the Appropriations Committee.

Mr. KEATING. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. KEATING. Could the gentleman give us some idea of what this $44,000,000 item for miscellaneous expenses consists of in general?

Mr. TABER. It is such things as burial allowances and matters of a special character rather than the regular large items of pensions or education aid and that sort of thing; those are not included in it.

Mr. KEATING. It is to cover specialized items?

Mr. WIGGLESWORTH. If the gentleman from New York will yield, there is a full description of that item on page 7 of the committee report.

Mr. TABER. The next item I expect to take up is on page 15 where there is another force account item under the Bureau of Reclamation. What I said about the force account in the Bonneville item applies equally to this item.

We pass now to page 16 where there is a section repealing the first four or five provisos under the appropriation act for the Interior Department 1949 and repeals the limitation which would throw them out. One of those limitations provides that not to exceed about $7,500,000 shall be transferred out of construction funds to the different administrative funds in the Bureau of Reclamation; in other words, they can spend the whole of the construction funds on salaries and expenses in their offices and agencies rather than have any limitation or any control such as the Congress set up for them.

Another of the provisions repeals the prohibition against spending more than $50,000 for propaganda purposes. It has no merit whatever.

The next item is at line 17 on page 16 where the Mike Straus amendment appears, to put Mike Straus back. He was so incompetent that they want to keep him; and I shall have to admit that that is the chief qualification for a New Deal appointment. But that does not appeal to me, nor does it promote efficiency in government.

These are the major items in the bill with reference to which there will be controversy. I would not say that they were all of them but they are the major ones.

I wish now to discuss for a little while the item relating to the steam plant in the TVA.

Mr. KEATING. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from New York.

Mr. KEATING. On page 4, under "Appropriations for the judiciary," I have been consulted in my district by the secretary to the district judge regarding the purchase of typewriters. Can the gentleman inform me what the present provision in the Treasury Department Appropriation Act is regarding the typewriter question, or can someone on the gentleman's committee give us that information?

Mr. TABER. There is a limitation, as I understand it, that typewriters may not be purchased at a price above 90 percent of the lowest price quoted a commercial purchaser. I think that is correct?

Mr. KEATING. But under this provision it is intended, as I read it, to permit the purchase now by those who need them in the judicial branch of the United States new typewriters, and not simply have to recondition the old typewriters?

Mr. TABER. They would be confined to the price set forth in the Treasury-

Post Office bill. There would be no limitation on their funds for the purchase of typewriters if they could be bought within the limitation which has been prescribed, provided they have the funds appropriated to them for that purpose, and I understand they have.

Mr. KEATING. I thank the gentleman.

Mr. TABER. Mr. Chairman, with reference to the TVA item on page 7, line 20, I propose to offer an amendment which will reduce the item of $2,950,000 to $450,000. They have asked for $450,000 for a couple of generators, for the initial payments on them anyway, in one of the hydroelectric set-ups and that I am not going to oppose; but the two and a half million dollars is to start the steam plant and that I am going to oppose. I will have to offer a similar amendment cutting two and a half million dollars out of the $24,000,000 item in line 24 and I will move also to strike out the part of the limitation which they propose to repeal beginning with the word "and" in line 4, page 8, and going through the rest of the paragraph.

I will also offer an amendment which would prohibit the use of funds for the construction of a steam power plant. What are the facts with reference to that steam power plant?

In the fiscal year ending June 30, 1948, the Tennessee Valley Authority marketed 12,244,000,000 kilowatts of power. That appears on page 11 of the financial statement of the Tennessee Valley Authority which I have before me. The TVA has had appropriated to it funds which will increase its available power plants, including the steam plants and the ones they already have. They have steam plants at the present time capable of producing 448,000 kilowatts an hour. They have hydro plants capable of producing 2,200,000 kilowatts an hour, or a total of 2,650,000 kilowatts. That means that they have available approximately 18,000,000,000 kilowatts to sell in the course of a year. Of course, they cannot sell all of it because of peaks; that is, they have peak loads during the day. They probably have power available at the present time amounting to about 4,000,000,000 kilowatts to sell if they could sell at all. They tell us that they will have available power projects that are coming in with the funds that are already appropriated, and with the generators that are here provided, amounting to 3,504,000 kilowatts of power-generating capacity. That will produce for sale approximately 18,000,000,000 kilowatt-hours a year. Now, that is 50 percent above what they sold in the fiscal year 1948.

Mr. DONDERO. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Michigan.

Mr. DONDERO. It is my understanding that private power companies use about two-thirds of their capacity, while the TVA has only used about one-half of its capacity; that is, if they use their two-thirds capacity like private power companies do, there would be no necessity for this steam plant.

Mr. TABER. There is no necessity for it anyway, because they have got the power capacity to take care of their loads with a margin now. Their steam capacity is plenty to firm up the hydro power that they have or ever will have, because they can run their hydro power or they can run their steam power in the low periods and hold back their water if they have a dry season, and ultimately use their steam or their hydro power effectively.

Mr. DONDERO. Mr. Chairman, will the gentleman yield further?

Mr. TABER. I yield.

Mr. DONDERO. Was there any testimony produced before the gentleman's committee to show that some of the cities in Tennessee, I will not say had been compelled, but did make contracts with the TVA that they would not build any electric power plants within their cities?

Mr. TABER. There was not before our committee this time, but there has been such testimony before the Committee on Appropriations heretofore. Those contracts are in existence. Those municipalities and cooperatives all would have the right, if the TVA would let them, and the TVA could let them without any trouble, to build all the power plants that they wanted. They should do that if we are going to have the expensive method of providing peak power gone into in the TVA.

Let me give you the general picture of the TVA, because I think people generally ought to understand it. The low rates down in the TVA and for Federal power generally are caused by this fact: The TVA sets up only $2,000,000 for taxes. It has estimated power earnings, according to page 11 of its financial statement, of $48,000,000 a year. This means 4 percent. The private power concerns run 20 to 22 or 23 percent in their over-all tax, and that extra tax is part of the place where they save the money to the power users in their localities.

I checked the record in the manuals in the library, and I know one private power concern right next to this set-up where they have a gross revenue of $125,000,000 and paid taxes of $23,000,000.

Mr. DONDERO. What is the total capitalization of the TVA?

Mr. TABER. The total capitalization of the TVA that is allocated to power is $48,000,000, and they never have paid a cent of interest on that power set-up to the Treasury of the United States. They never paid any money back until this last year, when they paid just a hair under $31,000,000.

Mr. EVINS. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Tennessee.

Mr. EVINS. Will the gentleman point out to the Members of the House that there is authorization in the TVA Act for turning into the Treasury each year some $20,000,000?

Mr. TABER. That is so, toward principal, but there is no authorization for the payment of any interest. The taxpayers in the rest of the country are subsidizing the rates in the TVA by the TVA's avoiding the payment of taxes and by the failure to charge enough rates to cover a proper depreciation charge, which should be at leats $11,500,000, and interest at the rate of 3 percent, which is what would be fair for the TVA to pay back.

Mr. EVINS. Will the gentleman point out if there is a public power plank in the Republican platform?

Mr. TABER. Maybe there is, but that did not mean a dishonest public power outfit that did not pay its way. It meant having things in such shape that the people of the United States who were not in the power district would not have to pay the electric-light bills and power bills of the folks in that district.

Mr. EVINS. I disagree with the statement the gentleman makes that you are paying the light bills of the people of Tennessee.

Mr. TABER. That is correct.

Mr. EVINS. That is not true.

Mr. TABER. There is no question about it. The statistics all bear it out.

Mr. EVINS. Is the gentleman in favor of the St. Lawrence seaway project?

Mr. TABER. No.

Mr. EVINS. The gentleman is not in favor of that project?

Mr. TABER. Not the seaway; no.

Mr. CHURCH. Mr. Chairman, I make the point of order that a quorum is not present. The gentleman ought to be heard on this important point.

The CHAIRMAN. The Chair will count. [After counting.] Seventy-three Members are present, not a quorum. The Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 11]

Abbitt	Fernandez	O'Toole
Allen, Ill.	Fisher	Pfeifer,
Anderson, Calif.	Gavin	Joseph L.
Arends	Gordon	Philbin
Baring	Gorski, Ill.	Poulson
Bates, Mass.	Green	Powell
Bennett, Fla.	Halleck	Price
Bennett, Mich.	Hardy	Ramsay
Blackney	Harvey	Reed, Ill.
Bland	Havenner	Richards
Bonner	Hébert	Riehlman
Boykin	Heffernan	Rivers
Brooks	Herter	Sanborn
Bryson	Heselton	Sasscer
Buckley, Ill.	Hinshaw	Scrivner
Bulwinkle	Irving	Shafer
Burnside	Jackson, Calif.	Short
Canfield	Jenison	Simpson, Pa.
Carlyle	Jenkins	Smith, Ohio
Celler	Jennings	Smith, Wis.
Chiperfield	Jones, Mo.	Somers
Clemente	Judd	Stockman
Clevenger	Kennedy	Tackett
Coffey	Kilburn	Taylor
Cole, N. Y.	Kilday	Thomas, N. J.
Coudert	Lind	Towe
Cox	Linehan	Van Zandt
Crosser	McCulloch	Velde
Curtis	McSweeney	Vinson
DeGraffenried	Mason	Weichel
Dingell	Miles	Welch, Calif.
Doyle	Monroney	Wilson, Ind.
Durham	Morrison	Withrow
Ellsworth	Morton	Woodhouse
Elston	Moulder	Woodruff
Feighan	Nixon	
Fellows	Norton	

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. COOPER, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill H. R. 2632, and finding itself without a quorum, he had directed the roll to be called, when 327 Members responded to their names, a quorum, and he submitted herewith the names of the absentees to be spread upon the Journal.

The SPEAKER. The Committee will resume its sitting.

Mr. TABER. Mr. Chairman, I stated a little while ago that I believe that according to the evidence the TVA submitted themselves in their own reports, and on pages 40, 41, and 42 of the hearings, they have demonstrated that this item is not necessary for the benefit of the people in that locality, because they have already in sight a 50-percent margin of power over what they are presently using.

Perhaps it might be interesting to the House if the House were told that some of the smartest corporations of the country have moved into that locality to take advantage of these low, subsidized power rates.

Mr. PATTERSON. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Connecticut.

Mr. PATTERSON. Would the gentleman tell the committee the names of the corporations that have gone down South in order to take advantage of this cheap rate that has been subsidized at the expense of the taxpayers, say all those of New England, and in Connecticut especially? Also, will this not in effect invite new industries that might be starting in New England and some older industries to go down South to Tennessee, at the expense of the taxpayers in the North, to start operations?

Mr. TABER. The gentleman is correct. Some of the corporations that have been smart enough to go in there are the Aluminum Co. of America, the Monsanto Chemical Co., the Vickers Chemical Co., and the Pennsylvania Salt Co. There are a great many more of those smart corporations. I do not blame them for going in there and taking advantage of this opportunity, but the taxpayers of the gentleman's territory and those in my territory are carrying that load.

I think it is about time that there be a complete review of this public-power business and that the whole thing be on the basis of fairness, with the power project carrying its share of the load and its share of the taxes. I do not think we should get into this situation and not have these power projects carry their part of the load. I cannot support it, and I feel that I shall have to do everything I can to bring it to the attention of the House and to see that the House has a full opportunity to vote on it.

Mr. EVINS. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Tennessee.

Mr. EVINS. I respect the position the gentleman has held on the Committee on Appropriations as a fomer chairman, but I wish that he would be fair and tell all the facts.

Mr. TABER. I have told all the facts, except this: They charge $9,000,000 depreciation as against $11,500,000, according to the rules of the Bureau of Internal Revenue. They pay no interest. Those are the things I have not told.

Mr. EVINS. The gentleman just stated on the floor that these industries had moved into that area. That is not the truth. These industries have been in this area for some time. The testimony did not show that a single industry had ever moved from the North or the East or the South.

Mr. TABER. It did so.

Mr. EVINS. It did say some branch plants had grown up, and there had been some natural growth, but not a single one had moved from the North.

Mr. TABER. Many have moved into that area.

Mr. EVINS. The gentleman knows that is not true.

Mr. TABER. I know it is true, and the gentleman knows it is true. Let us be honest about it. Let us have the TVA pay to the Treasury of the United States $15,000,000 interest on the $480,000,000 investment. That is our peak interest and that is what it will cost the people of the United States and the taxpayers.

Let us have them charge their depreciation and pay it back every year. Let us have this public-power business put on a honest basis, dollar for dollar, and let the people of the United States understand that it is going to be honest and that it is going to be kept honest.

Mr. Chairman, I reserve the balance of my time.

Mr. Chairman, I yield 15 minutes to the gentleman from Massachusetts [Mr. WIGGLESWORTH].

(Mr. WIGGLESWORTH asked and was given permission to revise and extend his remarks.)

Mr. WIGGLESWORTH. Mr. Chairman, this being general debate, I want to make certain remarks before referring specifically to the terms of the bill. I want to say a brief word in regard to the Committee on Appropriations of the House.

APPROPRIATIONS COMMITTEE—STAFF AND ORGANIZATION

I have been a member of the committee for many years, I have long considered it the most important committee in the House of Representatives. Because of present conditions in the world both at home and abroad I consider it has a tremendous responsibility.

Over the years, Mr. Chairman, it has been the opinion of Members on both sides of the aisle belonging to this great committee that that committee could only do its work properly, in a manner worthy of the confidence of the House and of the country, if by some means or other it could obtain a competent, expert, permanent staff, a staff equipped to make investigations and analyses when the occassion demands.

As I stand here and look back over the years I can hear Member after Member standing in the well of this House, Members from both sides of the aisle, making an appeal for that kind of staff.

We finally got the necessary authority for that staff, Mr. Chairman. It came in the so-called reorganization bill approved August 2, 1946.

That bill provides that—

> Each standing committee of the House and Senate, other than the Committee on Appropriations, is authorized to appoint by majority vote not more than four professional staff members * * * on a permanent basis, without regard to political affiliation and solely on the basis of fitness to perform the duties of the office.

That bill goes further, Mr. Chairman. It provides that the Committee on Appropriations in the House and in the Senate is authorized to appoint such staff as each committee by majority vote shall determine to be necessary and to conduct such studies and examinations of the organization and operation of any executive agency as it may deem needed.

In other words, each Appropriations Committee was authorized to have an unlimited staff, subject only to the judgment of the committee, and essential appropriations.

In my judgment this was one of the most important and most helpful features of the entire Reorganization Act.

What happened, Mr. Chairman? Not long after the Reorganization Act a beginning was made on a real staff for this great committee. Some 8 or 10 permanent employees were appointed, with contemplated expansion. The regular staff was augmented by a group of consultants from private enterprise, who gave generously of their time in the interest of economy. A small allowance for expenses was permitted, and the time and transportation of these individuals was a donation to the cause of good government.

In this manner, skills far beyond the ability of the Government to provide were made available to the committee.

Numbered among these men were 10 of the country's outstanding accountants, picked as a special committee by the American Institute of Accountants. All of these men were, of course, certified public accountants of national standing, and one is currently president of the New York State Certified Public Accountants Society.

The remaining men were business executives and research assistants of considerable standing, many of whom were, and are continuing to be, used as consultants by various Government agencies which have learned to value their counsel and assistance.

There was no partisanship in the activity, as the group was very representative of both political parties, although all were united on behalf of Government economy.

In addition to the day-to-day work of the staff, the major studies completed were as follows:

First. An exhaustive study of the then Federal Public Housing Administration, extending into nine States. The study exposed many vicious illegal practices, and was the basis of corrective legislation. As a result, the agency undertook a real reorganization, eliminating frills, waste, and extravagance.

Second. A review of the Department of Agriculture budget for 1948, including all the bureaus and agencies of that Department, resulting in many recommendations of benefit to the Department. This review also encompassed a particular inquiry into the Rural Electrification Administration.

Third. A study of the Maritime Commission for both 1948 and 1949, which resulted in corrective legislation recovering

for the Government hundreds of millions of dollars.

Fourth. Studies of the Veterans' Administration's requirements for both 1948 and 1949, which information has been the basis of a great deal of organizational correction. This study likewise went into the Federal hospital picture in great detail and has formed the basis of continued study by the Hoover Commission as well as the Veterans' Administration themselves.

Fifth. A study of the War Assets Administration for 1948.

Sixth. Continuing studies of the Department of the Interior for 1948 and 1949, including such technical subjects as an analysis of existing Federal power policy and including spot checks of the accounting systems in the various field installations, which were made available to the Department of the Interior and are currently the basis of accounting reorganizations.

Seventh. Detailed analyses of the operations of the United States Employment Service and the Bureau of Employment Compensation which materially assisted in the reorganizations of those agencies and will no doubt be very helpful in the 1950 hearings. This particular investigation required a great deal of field study and resulted in the exposé of especially flagrant violations of the Hatch Act in the State of Tennessee. This information has been forwarded to the Department of Justice and to the United States Civil Service Commission who are currently investigating the matter, with a view to dealing with the offenders.

Eighth. A detailed analysis of the operations of the Bureau of Internal Revenue which resulted in the location of widespread abuses and inefficiency. The report has been made available to the Secretary of the Treasury, and studies are now being made and many improvements instituted that were recommended in this report. As a corollary to this investigation, particularly flagrant violations of the Hatch Act in Massachusetts were uncovered. This information was likewise turned over to the Civil Service Commission and to the Department of Justice for their investigation.

The Civil Service Commission has cited for removal some twenty-odd employees in one Massachusetts office of the Bureau of Internal Revenue. I understand the Department of Justice still has the matter under consideration.

Ninth. An exhaustive investigation of the Department of State which likewise located many flagrant abuses of good administration, and also located a list of undesirable individuals with subversive connections who were then employed by the State Department. Subsequent to the exposé, some 30 to 40 of these individuals were separated from the service. It is also interesting to note that many of the individuals mentioned in the original list were later questioned by the House Committee on Un-American Activities.

Tenth. A study of the Treasury Department budget for 1948 and 1949.

Eleventh. A study of the Army and Air Force budgets for 1948 and 1949, which formed a basis of rescissions approximating $5,000,000,000 returned to the taxpayers by this committee.

Twelfth. A study of the budget of the Navy for the fiscal years 1948 and 1949, which likewise formed a basis for substantial monetary rescissions and appropriations reductions.

Thirteenth. An executive study on operations of the Government in the Territory of Alaska. It touches upon the activities of almost every Federal agency operating in Alaska and should be of great value to the committee in the 1950 deliberations.

Fourteenth. A report on the study of the subsistence procurement of Army for use in the 1950 hearings. The report indicates that corrected procedures can save tremendous sums of money.

These are only a few of the more important studies undertaken by the group. In addition, scores of comparatively minor studies were made of specific units of the Government.

The over-all result was that the committee was able to effect savings on rescissions detailed in the CONGRESSIONAL RECORD of some $9,800,000,000 in 2 years, making possible a balanced budget for the first time in 16 years, making possible a reduction in our national debt of some $7,000,000,000, making possible a reduction in our tax burden of $4,800,000,000, 71 percent of which went to those with incomes of less than $5,000, some 7,000,000 persons being removed from tax rolls entirely.

It was a fine start, and I agree with the sentiment of a close friend of mine now on the majority side of this great committee, who said to me shortly after our return to Washington in January, that in his opinion the Republicans of the last Congress had made a fine start with this staff, and that his only criticism was that the staff had not been large enough.

Now, Mr. Chairman, you may be surprised, in view of this record, to know that this staff has been completely abolished. It has been abolished, despite the experience of years, despite the intent of the Reorganization Act, despite the splended record that it made.

The staff has not only been abolished, it is not only a question of relieving those who served on the staff, the whole theory of a staff responsible only to the Appropriations Committee has been, for the time being, abandoned, and we have gone back to the old idea of asking one executive agency to please investigate the actions of another executive agency, whenever an investigation seems necessary.

Mr. Chairman, that plan has been tried. It is better than nothing. But as long as human nature remains what it is, it will never, in my opinion, get fundamental results. In fact it may tend at times to conceal rather than to disclose.

Real results depend on a permanent, nonpolitical skilled staff, responsible to the Appropriations Committee and to that committee alone.

I want to pay my tribute, Mr. Chairman, to the work done by the staff of the Committee on Appropriations during the last 2 years. They made a splendid contribution to the Nation in terms of lower prices, in terms of lower taxes, in terms of a stable economy.

I want also to record for the RECORD, Mr. Chairman, my opinion that the action taken in abolishing the staff and certain other action taken in connection with the organization of the committee for this Congress is most unfortunate.

That action was taken contrary to the views of the minority members of the committee. In fact, it was taken without allowing any minority member of the committee the opportunity to question, to debate, or to offer to amend any one of a half dozen resolutions that were adopted in the full committee.

I regret the manner in which the action was taken. In my judgment, it was unworthy of the traditions of the great Committee on Appropriations.

I regret the action taken, because, in my judgment, it is likely to cost the people of this Nation literally billions of dollars.

THE BILL IN GENERAL

Now, Mr. Chairman, I want to speak briefly on the bill under consideration.

As you know, it calls for something less than $500,000,000 of appropriations. The budget sent it up here in the sum of about $480,000,000. The committee has taken off $14,000,000.

If I had my way, there would be further reductions. If I had my way, the restrictions and limitations, which it is proposed to cancel, and which have been referred to first by the gentleman from New York [Mr. WADSWORTH], and then by the gentleman from New York [Mr. TABER], would remain the law of the land.

I want to mention in passing that the committee has allowed in full the amount of approximately $5,000,000 for grants to States for unemployment compensation and the Employment Service to give the Service an average of 38,000 employees as compared with an average of 35,000.

This situation has not been satisfactory. It has been charged, among other things that the allocation to the several States of the over-all sum made available by the Congress has been very inequitable, that State set-ups which have striven to operate with efficiency and economy have been penalized, while others operating on an inefficient and extravagant basis have had more staff than they should fairly have been allotted.

This amount provided, in my judgment, is entirely inadequate. The Bureau of the Budget has ordered a complete investigation. The Appropriations Committee has also ordered a complete investigation.

I have no doubt that further funds will be available for this activity either in this bill or subsequently in the light of the two investigations.

TVA STEAM PLANT

The principal item of controversy in this bill is the one already referred to by the gentleman from New York [Mr. TABER].

It is the proposal by TVA that this Congress make available some $3,000,000 as a first installment on a gigantic steam plant to cost ultimately some $84,000,000 and to produce some 375,000 kilowatts,

having a capacity sufficient, it has been said, for all of the needs, both commercial and domestic of perhaps a million people; a steam plant requested for the purpose of meeting the prospective power needs of the TVA industrial users.

The identical proposal, Mr. Chairman, was before this House last summer. Exhaustive hearings were held before the Subcommittee on Appropriations for Government Corporations. Thorough debate took place on this floor on two separate occasions. On each occasion the proposal was voted down by a record vote.

I see no reason, Mr. Chairman, for the Congress to reverse at this time the decisions it made at that time.

I do not want to repeat in detail the arguments presented to this House last summer. I do want to say, Mr. Chairman, however, that the decision of the House was based on fundamental grounds which transcend in importance any single steam plant at any single project. I do want to say, also Mr. Chairman, that we are not discussing a theory; that this is an intensely practical question in which there is very great interest.

There is widespread opposition to embarking on the policy implied in the construction of this plant. If proof of this were needed I may say that I understand that over 90 different organizations of businessmen, taxpayers, and others appeared in opposition to the proposal last summer. I may add that in the course of the very brief hearings conducted in respect to this bill we were confronted by the chambers of commerce of perhaps three-quarters of the States of the Union, by the National Chamber of Commerce, and by representatives of other business organizations who registered their emphatic opposition to the policy implied in the request now before us.

What are the broad grounds of objection, Mr. Chairman?

There are several of them.

In the first place, while it is clear that the TVA Act authorized the generation and marketing of electric energy incidental to navigation or flood control, it is exceedingly doubtful that there is any authority whatsoever for TVA to enter into the generation and marketing of commercial power which has nothing to do with navigation or with flood control.

But for the rule adopted by this House it would be my view that a point of order would clearly have lain against the present requested appropriation for that reason. I regret that the rule was obtained because, in my judgment, the matter of policy here involved is far too important to be determined in the course of the consideration of an appropriation bill.

In the second place, Mr. Chairman, if the act be construed to give the necessary authority, then there is the further question of whether the act is constitutional. Time does not permit going into that legal question this afternoon. But I would like to quote again Mr. Justice Reed when he was Solicitor General some years ago, in appearing before the United States Supreme Court in a case concerning the Tennessee Valley Authority Act.

Mr. Justice Reed, then Solicitor General, said:

> From the bench and at the bar the controversy has come down to a question of this kind: If we assume that this act was primarily for navigation, then it would be valid. If we determine that this act, while stating that it is for navigation, national defense, and flood control, is actually for the purpose of developing power and selling it commercially, the act would be invalid.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. WIGGLESWORTH. Mr. Chairman, I yield myself 10 additional minutes.

Mr. Chairman, aside from these legal questions there remains the broad question of national policy by which we are confronted.

The TVA could conceivably earn a profit even if it was organized and run like a legitimate business. It could at least eliminate all unfair competition by paying the legitimate costs of operation.

But that is not the case, Mr. Chairman. Here we have the TVA representing an over-all investment of $780,000,000, of which some $480,000,000 represents investment in power alone. Until recently TVA made no proper arrangements for amortization or depreciation. As has been pointed out, its interest burden has been practically negligible and the tax burden which it bears is estimated at between 10 and 20 percent of that borne by a private company in a similar situation.

Its net income of about $17,000,000 is not even sufficient to pay the interest charges and the amortization charges which would be normally borne by a private company operating in this field of industry.

However you figure them, the alleged costs of operation by TVA are far less than the actual costs paid by a private industry in the same field and the difference is paid by all of us in terms of subsidy.

Now until this time TVA has limited itself to dealing with power incidental to its proper functions of navigation and flood control, and it has acted under a statutory provision requiring that insofar as power is available, it should be made available to preferred customers, such as municipalities and cooperatives.

Now we see the TVA coming before the Congress and saying, in substance: "Gentlemen, there is going to be an increase in demand in the TVA area. We are not going to be able to meet that demand, whether you intended it originally or not, we believe that there is a clear obligation on the shoulders of TVA to meet the total demand from the TVA area, whatever that demand may amount to, and whether or not we have enough power incidental to navigation and flood control to meet that demand. And, if you agree, you must give us the essential steam generating capacity to meet that demand which is in excess of the incidental power that we shall have at our disposal.

That, Mr. Chairman, is a radical departure from the policy heretofore followed. It is a very far-reaching departure, in my opinion, and for one I am opposed to it.

I am opposed to it because from the record it is clear that there is ample capacity available today and for the next 3 or 4 years to take care of the demands of all preferred customers.

If you look at the tables in the record, you will find that those preferred customers only used about 3,300,000,000 kilowatt-hours out of a total of 14,000,000,000 available in the fiscal year 1945; that they only used about 6,500,000,000 kilowatt-hours out of a total of 16,500,000,000 available in 1948, and that it is estimated that they will only use about 9,200,000,000 kilowatt-hours out of a total of about 19,600,000,000 available in the fiscal year 1952. The balance goes to industrial users and to public utilities in adjoining areas which are subject to control.

Were it not for the industrial users there would be more than sufficient to take care of the preferred customers. And, Mr. Chairman, there are vacant stalls today in various dams that are available for additional hydroelectric units.

What TVA is really asking is additional subsidized power to meet the prospective needs of its big industrial users, like the Aluminum Co. of America, the Monsanto Chemical Co., and the Tennessee Copper Co., and others.

That Mr. Chairman, in my opinion, is unfair to the men and women of the rest of the country who, on the basis of present operations, must subsidize the power that is used.

I am opposed to this proposal, Mr. Chairman, because the needs of these industrial users do not have to be met by TVA—they can be met in various ways. If the construction of a steam plant is necessary, the simplest way is to let the industrial user construct and pay for the plant just as they would in any area outside of the TVA area.

Let TVA limit itself to its prescribed role, and the industrial users and the cities concerned will supply the necessary steam-plant construction for other power, in my opinion, in very short order.

Failure to do this is unfair to other sections of the country with and for whose industries TVA-subsidized power under present conditions competes.

Finally, Mr. Chairman, I am opposed to this proposal because I believe that Congress never intended that TVA should go into the power business over and above its incidental power, and because I believe if the precedent is established, there is no end or limitation in sight to unfair Government-subsidized competition with private industry.

Why, Mr. Chairman, should the people of the West, the North, and the East, rich and poor alike, be compelled to pay through higher prices and higher taxes for power used by the Aluminum Co. of America, the Monsanto Chemical Co., and other multi-million-dollar plants in or near the TVA territory?

Why, Mr. Chairman, should other parts of the country be compelled to subsidize TVA industry which competes with and for their own industries at home?

Why, Mr. Chairman, should we adopt a precedent which assures a widespread unfair competition with private industry in this field of industry, which may lead to complete nationalization in this field of industry, and which, if proper in this field, may be proper in any other industrial field in America?

I do not believe, Mr. Chairman, the claim that there is any present authority in TVA to generate or market electrical energy, not incidental to navigation and flood control, in competition with private business.

If, however, the assertion of that authority, in spite of statutory and constitutional difficulties, is to be approved by this Congress, then let us eliminate the present elements of unfair competition immediately.

I hope, Mr. Chairman, that the Congress will stand by its position in this matter. I hope that the amendment which the gentleman from New York [Mr. TABER] has referred to, when offered to this House, will be adopted.

Mr. TABER. Mr. Chairman, I yield 10 minutes to the gentleman from Iowa [Mr. JENSEN].

Mr. JENSEN. Mr. Chairman, without a doubt, the things the Republicans in Congress are trying to do to bring order out of chaos in many departments of government will fall on deaf ears like a voice crying in the wilderness, but we must never give up the fight. We know only too well by now what is in the back of the minds of the party in power, because we had an excellent demonstration of that in the full committee about 3 weeks ago when the gentleman from Missouri [Mr. CANNON], chairman of the full Committee of Appropriations, refused to recognize a single minority member when we attempted and tried our best to get Mr. CANNON'S attention. We had some amendments to offer, but, believe it or not, he did not even look our way. They put through their resolutions one right after the other and then immediately ordered the previous question, which shut off debate and when they got all their resolutions adopted they had someone of their own party move to adjourn, and they adjourned without paying the slightest notice to the 18 minority-party members present.

In this America of ours, the minority has always had a voice or a say, or at least had an opportunity to express its opinions in Congress and out of Congress until now. Now they are patterning after Uncle Joe Stalin and his one-party rulers. That is what the gentleman from Missouri is doing, and the gentleman is sitting right here in front of me on the floor of this House. If he does not like it, let him stand and defend himself before his colleagues and the American people.

I am waiting for the answer of the gentleman from Missouri [Mr. CANNON]. Then I saw another performance and it is almost too disgraceful to mention, just last week in a subcommittee meeting, the same gentleman from Missouri [Mr. CANNON] muffled one of the finest, most able Representative of the people in Congress and did his voting for him. The gentleman from Missouri [Mr. CANNON] had not heard a word of the testimony that had been given by the departments but he came in and did the voting for this member of his party. Now, that is something to think about, folks. I want every American to know about this, so they will know the course we are taking. We are taking the direct course to a one-party rule in America like many other nations have, including Russia. Then, the gentleman from Missouri [Mr. CANNON] had the boldness to say that he was going to sit in with every Subcommittee of Appropriations during the marking-up of each bill. He is going to see to it that the program they have concocted to destroy our American liberties is going through regardless of any and all opposition.

Mr. WHITE of California. Mr. Chairman, will the gentleman yield?

Mr. JENSEN. I cannot yield to the gentleman at this moment, but I would yield to the gentleman from Missouri [Mr. CANNON]. If he has any defense.

Mr. WHITE of California. I have a defense of the party, if the gentleman will yield to me for just one moment.

Mr. JENSEN. All right then, I yield to the gentleman from California.

Mr. WHITE of California. I ask the gentleman if he recalls the time during 1946 when the Gearhart committee of the Ways and Means Committee had star-chamber proceedings and brought out legislation under gag rule and not a word could be heard in committee or on the floor.

Mr. JENSEN. Oh my dear colleague—gag rule—you accuse the Republican Party of gag rule? Say, the gentlemen on that side of the aisle have for years, without end, gagged the Republican Party or tried to gag us until it became a national scandal. Now, I do not care to hear any more of that kind of stuff from the gentleman who just recently arrived, or from anyone on that side of the aisle, because we know the sad story about them.

Last year the Eightieth Congress saw fit to put a limitation on the amount of money that could be spent for force account. Force account means that the Bureau of Reclamation can hire anyone they see fit, to do any job they see fit, regardless of how large the job is whether $100 or $50,000,000, without letting a contract or asking for bids.

Mr. McDONOUGH. Mr. Chairman, I make the point of order that there is no quorum present.

The CHAIRMAN (Mr. COOPER). The Chair will count. [After counting.] One hundred and seven Members are present, a quorum.

The gentleman from Iowa [Mr. JENSEN] is recognized.

Mr. JENSEN. Now, in this bill appears a provision which would strike out all of those limiting provisions which were placed in the bill last year and again let them run wild and do anything they like with the taxpayer's money.

More actual construction work for hydroelectric power, transmission lines, and irrigation has been performed in the last year and a half than has ever been performed in three times that length of time before in the history of this Nation. Why? Because we put their house in order. We said, "Go to work and stop wasting money and time." Now if there is anybody who wants to deny that, let them stand. They cannot do it, because what I have said is the truth. Yet they travel all over the country.. Yes, from the President on down—saying that the Republican Party had almost completely destroyed the reclamation program—when the facts are that the Eightieth Congress appropriated twice as much money than had ever been appropriated before for the development of the West.

The CHAIRMAN. The time of the gentleman from Iowa [Mr. JENSEN] has expired.

Mr. TABER. Mr. Chairman, I yield 8 minutes to the gentleman from Tennessee [Mr. PHILLIPS].

Mr. PHILLIPS of Tennessee. Mr. Chairman, at the outset of my brief remarks I wish to express my appreciation for the action of the Appropriations Committee for having approved the amount of $2,500,000 for the beginning of construction of the new Johnsonville steam plant and $450,000 for two additional hydroelectric generating units at existing TVA dams. It is good economy for the Government to make full use of the natural resources of its investment. The existing power facilities in the Tennessee Valley serve a large area, which is rapidly developing, and with this natural progress and development there has been a great increase in the consumption of electric power.

More than 5,000,000 people are supplied by TVA power and are dependent upon this great Federal project for their source of electric power. It has been estimated by the Tennessee Valley Authority and by other reliable testimony that we are facing a power shortage in the entire valley served by TVA. The people of this section of America are confronted with a different situation than that which is generally the case. Here the only source of power is the Government agency. Private utilities voluntarily sold their properties and moved out. There is no other source of power. Industry needs additional power. The great REA program is in need of additional power to supply the applications that are now currently on file. Electric cooperatives have entered into agreements and contracts to furnish rural power to thousands of farmers, but due to the power shortage the Government has not been able to carry out these commitments. I have said on the floor of this Congress on previous occasions that the greatest guarantee that we shall continue as a free and independent people is for the Congress by appropriate action to place on the statute books of this country laws which will build up the rural and farm life of America. The farmers have never failed us in war or in peace, and we must not fail them now.

The development of this great area in America will create good business; the farmers and public generally will increase their use of electrical appliances and equipment in their homes, and will thereby create an outlet and market for

electrical appliances and devices and gadgets of every kind, which are produced all over America. This natural market will, therefore, employ idle labor, and will stimulate production, and will in no sense of the word injure our American industry.

In my mind there is a big object, which we may overlook in this bill under consideration. This Congress has been called upon to appropriate billions of dollars in an effort to stop the onrushing tide of communism, which was calculated by some people to be on the march throughout the Continent of Europe, and on into the far eastern world. With that dark shadow casting its shadows on the lives, happiness and hopes of millions of peace-loving people throughout the world, we as a Congress have a responsibility to preserve the national defense of this country. When we spend billions to help little nations fortify themselves against our common enemy, then does it not follow as a matter of clear logic, that we should spend the necessary amount of money to build the power facilities to supply electric power to insure that the great atomic energy development, which is located at Oak Ridge, Tenn., has the required amount of electric current at all times to run and operate this great project on a full production basis.

The history of World War II shows that we had, and now have great and vast Federal agencies in the Tennessee Valley, which played an important role in the production of war material in the recent war. The Oak Ridge plant, the Alcoa Aluminum Mills, the Tennessee Eastman, the Holston Ordnance, and North American and Bemberg Rayon corporations are some of the big manufacturing concerns that contributed in a large way to our national defense.

In view of the world situation, I believe that this country should have the finest air force on earth. We should have an air force that can circle and police the world if necessary. The record shows that TVA at one time furnished the power that was used to make 51 percent of the aluminum which went into our war planes. The Eightieth Congress voted for a 70-group air force program. We cannot afford to face a situation which would deprive these great facilities of the necessary power during slack seasons to continue the full operation of these vital defense factories, which are a part of our announced preparedness program.

We are not considering a new principle here today. The Government has appropriated the money to build steam plants on a number of occasions. The Watts Bar steam plant built by TVA is an example of a steam plant. In fact when the private companies owned their own plants in Tennessee, they not only sold their water plants, but these companies sold steam plants to the Tennessee Valley Authority.

The Tennessee Valley Authority is a corporation created by act of Congress on May 18, 1933. It was established to improve navigation and to provide for flood control of the Tennessee River; to provide for reforestation and the proper use of marginal lands in the Tennessee Valley; to provide for the agricultural and industrial development of the valley; to provide for the national defense, and for other purposes. The Tennessee Valley has accomplished these purposes by developing dams and reservoirs in the Tennessee River Basin and its tributaries It has engaged in the generation of hydroelectric power.

We should not in days of emergency deny to this great publicly owned utility the same right and privilege that is enjoyed by every private business and utility in America. I mean by this that it is a common practice for our large industries, which make use of hydroelectric power to also have as a secondary source of power, a steam plant. In that way an industry is not wholly dependent upon one source of power. A steam plant will, therefore, guarantee a continuous flow of power during a time when hydroelectric power may be curtailed in production because of dry weather, and because of a drying up of the water power in the dams.

In some quarters the legal power of the Tennessee Valley Authority to engage in the erection of a steam plant has been questioned. Under the Constitution the Congress has the power to promote the general welfare and to promote the common good of the people of this country. We are implementing a great program and are giving it the necessary strength and the necessary appropriation to implement the power program so as to meet the needs of the people in this valley. This is no new departure. The Congress from time to time has appropriated money for the great highways of this country. We have developed the forests and waterways of America. We have developed the rivers and harbors, and have developed the canal service to accommodate the commerce flowing all over this land.

We as a nation have encouraged the development of the great reclamation service of the West, which has produced fertile soil, where fruits and vegetables now grow. A great section of the West is rapidly becoming an agricultural and one of the chief bread baskets of America. This same area was at one time a place of dust and wastelands. This transition and new development has added to the wealth and productivity, as well as to the progress and happiness, of the people. Therefore, I want to say, in conclusion, that I have seen the benefit the people have derived from TVA, and I am happy that the Congress is approaching this subject from a nonpartisan and national point of view. I am happy that we are recognizing the great public interest involved and that we do not propose to place a lid upon the progress and upon the advancement of an area consisting of approximately seven States.

The CHAIRMAN. The time of the gentleman from Tennessee has expired.

(Mr. PHILLIPS of Tennessee asked and was given permission to revise and extend his remarks.)

Mr. TABER. Mr. Chairman, I yield 10 minutes to the gentleman from Michigan [Mr. DONDERO].

Mr. DONDERO. Mr. Chairman, at the very outset I want to be recorded, as I have been in the past, that I am not opposed to the development of power in the river basins of our country by the Federal Government. With the demand that exists all over the Nation for power I think that is essential and necessary. What I am opposed to and where we divide with minds in this body is the projection of the Federal Government into the sale of power as a private distributor and in competition with investment already made by the citizens of this country and already serving the area where these new projects may come into being.

In a hearing before the Committee on Public Works last year and the year before it was developed that if the Federal Government were compelled to pay the taxes, overhead expenses, interest involved in borrowing money, payment of dividends, the Federal Government could not produce 1 kilowatt of power cheaper than private industry and private investment is now producing it in this country. It is because of that unfair advantage by the Federal Government in projecting itself into the power field in competition with private enterprise that sooner or later if the step we are taking today is extended and expanded private enterprise in the power field will vanish from the American scene. That is socialization of industry. If it is so desirable to socialize electric power, will someone get up on this floor and tell the Nation why it should not be projected into all the other activities of American life—communications, transportation, mines, food, clothing, and others. But after we have done all of that, we will have brought to America an ideology that is foreign to the standards and the basic principles upon which this Nation stands, and the Republic of the United States will disappear.

Congress is now confronted with a proposal that the Tennessee Valley Authority construct and operate a steam electric generating plant. This is unusual, and in fact an unprecedented request. The Federal Government in the past has constructed and operated steam plants, but in every such case the legal background for such authorization has been on the basis of national defense. The classic example, of course, is the still existing steam plant at Muscle Shoals, created under the War Powers Act of 1916 and constructed for the purpose of the manufacture of nitrates for ammunition. Similarly, in 1940, a large steam plant was constructed at Watts Bar, Tenn., as a part of the equipment of the TVA for the purpose of augmenting its generating capacity to meet national defense demands. In addition, the Atomic Energy Commission, at Oak Ridge, has one of the largest steam electric plants in the world, wholly devoted to generating power for the manufacture of atomic bombs.

With none of these projects has any objection ever been raised as they obviously follow the familiar pattern necessary to national preservation.

In the case of the pending proposal for the construction of a plant at New Johnsonville, Tenn., the matter of national defense is not used as a justification.

The lack of such justification indicates that the administration is prepared to establish a new precedent: That the

Federal Government shall accept as a normal function the business of producing and selling power commercially, not as an incident to the control of rivers, but as an out-and-out business, not incidental to any other necessary and constitutional functions of government. The proposal pending before Congress is unique in other respects.

Mr. RICH. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. [After counting.] Eighty-two Members are present, not a quorum. The Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 12]

Abbitt	Fisher	O'Toole
Allen, Ill.	Gilmer	Pfeifer,
Anderson,	Gordon	Joseph L.
Calif.	Gorski, Ill.	Philbin
Andresen,	Granger	Plumley
August H.	Green	Poulson
Arends	Hall,	Powell
Baring	Leonard W.	Price
Bates, Mass.	Halleck	Ramsay
Bennett, Fla.	Hardy	Reed, Ill.
Bennett, Mich.	Harvey	Richards
Blackney	Havenner	Riehlman
Bland	Hébert	Rivers
Bonner	Heffernan	Sabath
Boykin	Heselton	Sanborn
Breen	Hinshaw	Sasscer
Brooks	Hoffman, Ill.	Scrivner
Bryson	Irving	Shafer
Buckley, Ill.	Jackson, Calif.	Sheppard
Buckley, N. Y.	Jacobs	Short
Bulwinkle	Jenison	Smith, Ohio
Burleson	Jenkins	Smith, Wis.
Burnside	Jones, Mo.	Somers
Carlyle	Judd	Stockman
Celler	Kennedy	Taylor
Chiperfield	Kilburn	Teague
Clemente	Kilday	Thomas, N. J.
Coffey	Lesinski	Towe
Cole, N. Y.	Lind	Van Zandt
Coudert	Linehan	Velde
Cox	McCulloch	Vinson
Crosser	Magee	Weichel
Curtis	Mason	Welch, Calif.
Davis, Ga.	Miles	Williams
DeGraffenried	Miller, Calif.	Wilson, Ind.
Dingell	Monroney	Wilson, Okla.
Doyle	Morrison	Wilson, Tex.
Durham	Morton	Withrow
Ellsworth	Moulder	Woodhouse
Elston	Nixon	Woodruff
Feighan	Norblad	Zablocki
Fellows	Norton	

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. COOPER, Chairman of the Committee of the Whole House on the State of the Union, reported that the Committee, having had under consideration the bill H. R. 2632, and finding itself without a quorum, he had directed the roll to be called, when 309 Members responded to their names, a quorum, and he submitted herewith the names of the absentees to be spread upon the Journal.

The SPEAKER. The committee will resume its sitting.

The CHAIRMAN. The gentleman from Michigan [Mr. DONDERO] is recognized.

Mr. DONDERO. Mr. Chairman, I was saying when I was interrupted a few minutes ago that the proposal pending before the Congress is unique in some other respects.

The proposal pending before Congress is unique in other respects. For example, it is presented as a deficiency appropriation. Until now, deficiencies have always been appropriated only for the continuance of enterprises and projects already previously authorized and for which funds have already been appropriated. In this case the Congress not only has not authorized and appropriated money for the steam plant, but in fact only a few months ago Congress by roll-call votes—two in the House of Representatives—flatly rejected the proposal to construct this very same project. No one has yet explained satisfactorily how a deficiency appropriation could be made for a project never originated and for which no money was ever appropriated.

There is a strong doubt that such an appropriation would be legal inasmuch as there is nothing in the organic TVA Act as amended which permits the construction of new steam plants. Even if the act did so provide, it would be patently unconstitutional. The TVA was created for the purpose of harnessing the Tennessee River so that its facilities for navigation would be improved and so that its floods would be controlled. As Senator Norris once said, "These are the constitutional pegs upon which the Tennessee Valley Authority Act must rest under the commerce clause of the Constitution."

There must be some lurking doubts as to the acceptance of this long step in the direction of socialism in the minds of its proponents. Otherwise the problem would have been approached in the normal parliamentary manner and under normal parliamentary procedure. The atmosphere of candor is lacking in the procedure by which this bill arrives before the House.

On February 3, 1949, the chairman of the Appropriations Committee, acting either in that capacity or as chairman of the Deficiency Subcommittee of the Appropriations Committee, appeared before the Rules Committee and asked for a rule to obtain debate on the bill on February 4. He appeared before the Rules Committee without a bill. The Appropriations Committee itself had not met to discuss the matter. As I understand it there had not been a formal marking up of the bill by the Deficiency Subcommittee—although this may have happened among the majority members. Thanks to the wise decision of the senior Member of this House, both in age and in consecutive legislative experience—the chairman of the Rules Committee—the proposal was given short shrift.

In my long service in this House I recall no incident where the chairman of a committee requested a rule of the Rules Committee before his own committee had even held a meeting to consider the measure.

This is a house of the representatives of the people of the United States. Whether they bear the label Democrat or Republican, every member of this House is sworn to sustain the Constitution and to put flag and country before partisanship. On that basis every member in this House has a right to resent parliamentary tactics that would have been scorned by the so-called, rubber-stamp congresses of the early New Deal.

A century ago Karl Marx published the Communist Manifesto. The past century has been the bloodiest, the cruelest, and in many ways the most catastrophic century in the history of mankind. The forces let loose by this evil dream of Karl Marx are reaping their harvests down to the present day. Only now a cardinal of the Holy Roman Catholic Church awaits his fate at the hands of a Marxian court because he placed God before the Soviet Caesars. For his courage he may hang, or spend his life in a convict's cell, or in the mercy of this Marxian court, his term may be shortened. Marxism in Hungary is no different than Marxism in America, except in degree.

Socialism is a complete word. It needs no qualification. An activity of government is either socialistic or it is not socialistic.

This continent was peopled by men and women whose whole philosophy is a rejection of socialism and the planned state idea as conceived by Karl Marx. It was pioneered by men and women who believe in God, and in America.

This small item in the deficiency appropriation calling for the beginning of construction of a steam plant for the TVA is little in itself, but the potentialities as a precedent can involve enormous sums as the curse of socialized power spreads like a creeping paralysis over the economy of our Nation.

Mr. TABER. Mr. Chairman, I yield the balance of my time to the gentleman from Connecticut [Mr. SADLAK].

Mr. SADLAK. Mr. Chairman, I take this opportunity to stress an amendment which I will present when the bill is read for amendment. It is to page 6, line 24. I shall urge there striking out "$4,987,000" and the insertion in lieu thereof of "$14,000,000."

On page 4 of the committee report, under "Grants to States for unemployment compensation and employment service," it states that the Budget estimate, $4,987,000, is being recommended for this item. There follows:

> It is believed that the amount herein recommended, together with an increased application of flexibility as between the unemployment compensation and employment services should enable the States to make some headway in reducing the present backlog of work.

The concluding paragraph reads:

> The committee is advised by the Bureau of the Budget that the present estimate is based on work loads as of November 30, 1948—

I stress that date—

> and that it is at the present time reviewing developments since that date.

The gentleman from Massachusetts [Mr. WIGGLESWORTH] earlier today told us that an investigation is pending by the Committee on Appropriations, as it is by the Bureau of the Budget, to ascertain the amount of additional funds that would be necessary in this particular category and to make other pertinent recommendations.

I commend the investigations by the Committee on Appropriations and the Bureau of the Budget; however, it is my desire to bring to the notice of the Committee of the Whole House some facts subsequent to November 30, 1948, which indicate a need for immediate action, and a larger appropriation now. I quote

at this time from the Hartford, Conn., Courant of Friday, January 28, 1949. The headline is "State jobless at high point for 10 years—Compensation claims of 44,364 last week up by 4 percent":

State Labor Commissioner John J. Egan said Thursday that claims for unemployment compensation payments are at the highest point in 10 years with the exception of the reconversion period at the close of the war.

Claims last week totaled 44,364, about 4 percent above the preceding week and 85.3 percent above a year ago.

New claims total 7,821, a rise of 830 above the preceding week and 107 higher than new claims a year ago.

Bridgeport continues to lead the State in the number of unemployed, with 7,508 claims for unemployment payments last week. Claims in other cities were New Haven, 7,172; Hartford, 4,605; Waterbury, 4,374, and Stamford, 2,953.

About 650 workers were laid off by textile mills in the Norwich area due to lack of orders. Lay-offs were also reported in the casters, electrical parts, turbine, screw machine, metal products, tire, lumber, and carpeting industries.

To bring that a little more up to date, I desire to quote from the New Haven (Conn.) Register of February 9, 1949, which carried this very imposing headline: "City's jobless double in month; now at 7,000—Survey indicates trend to shorter workweek—Smaller shops hardest hit—Uncertainty over future, seasonal lay-offs blamed for mounting idle total." This article is very interesting as much as it is startling and alarming. I sincerely hope it is not the recording of a definite trend of affairs in the days just ahead of us. I ask you to give it your attention:

Unemployment in New Haven has doubled in the last month. There are 7,000 workers unemployed as of today. About 3,500 who were working a month ago are not working now.

My colleagues, I am not reading any dispatches from 1932 or 1933 or any of the so-called depression years. This is February 9, 1949. The article continues:

The round-number figures were made public today by Mrs. Alice Marshall, manager of the New Haven branch office of the Connecticut State Employment Service.

Seasonal lay-offs can account for some of it. Finishing of building jobs without acquiring new construction contracts has left many workers stranded in the city, and that accounts for more.

But a good share of the unemployment, according to Mrs. Marshall, "comes about in lay-offs of from one to a dozen men, not only in the larger plants, but in New Haven's numerous small shops."

WORKWEEK CUT

In addition to swollen unemployment figures working hours showed a trend to cut back from overtime to the 40-hour week. In some places the workweek is under 40 hours.

There are a number of examples given here in this news item and I cite some as I continue reading the New Haven Register:

For example, the New Haven Clock Co., hard hit by importation of cheap Swiss clock movements February 1, went on a 4-day week. That reduced by 20 percent the income of 1,000 people.

The American Steel & Wire Co., employing 1,000 went on a 4-day week in some departments, affecting 200 men. S. B. Metcalf said, "Business has fallen off, and we are going to cut back on hours rather than lay off men. We will do that until it hits a 3-day week, if necessary."

SMALL SHOPS HIT

Mrs. Marshall said it was in New Haven's numerous small shops that the cut-back was most apparent. "When a firm that employs 15 or 20 men lays off 2 or 3, that adds up. And when a company which employs 500 men lays off 15 instead of a usual seasonal 10, that is 5 men out of a job, and it adds up."

Most men laid off, she said, "hope they will be taken on again soon and the manufacturers do too." But they are not on a definite call-back basis.

Mrs. Marshall cited factors which manufacturers think operate adversely. They included uncertainty in regard to taxes, price changes in consumers' goods, foreign competition in some lines such as the clock business.

To bring the attendant facts still more up to date, I wish at this time to call the attention of the Committee to a release from the Connecticut State Labor Department, which was released on February 9, 1949, for the morning papers of February 10. I read from that release:

Reaching its highest point since the reconversion lay-offs in 1945, the number of jobless claimants for unemployment insurance benefits in Connecticut rose to 49,822 during the week ended February 5, Labor Commissioner John J. Egan stated today. This was 9 percent more than a week ago and 101 percent over the 24,793 who filed a year ago.

Mr. Chairman, I submit to the Committee that this is ample evidence for increasing this particular deficiency appropriation at this time without waiting for the investigations of the Committees on Appropriations and the Budget Bureau, which I am sure will substantiate what I have said not only for my district, which is the entire State of Connecticut, but also throughout the United States. May I ask for your favorable consideration of my amendment when it is offered under the 5-minute rule?

The CHAIRMAN. The time of the gentleman from Connecticut has expired.

(Mr. SADLAK asked and was given permission to revise and extend his remarks.)

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

Be it enacted, etc., That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, to supply supplemental appropriations for the fiscal year ending June 30, 1949, and for other purposes, namely:

Mrs. ROGERS of Massachusetts. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I rise to ask if there is any appropriation in this bill for the Committee on Un-American Activities?

Mr. TABER. Mr. Chairman, so far as I know there is not. The appropriation for the Committee on Un-American Activities comes out of the contingent fund of the House and there is no money carried for that purpose here. I believe that that is correct.

Mr. CANNON. There is no money involved in this bill for that committee.

Mrs. ROGERS of Massachusetts. It is very vital that that money should be expended by the Congress for these investigations of subversive activities.

Mr. RANKIN. Mr. Chairman, if the gentlewoman will yield, the money has already been appropriated.

Mrs. ROGERS of Massachusetts. But I wanted to draw attention to the importance of it.

I want to read to the Congress a letter that came to me this morning. This is one letter. I have received a great many threats recently. This letter begins "Valentine Day." It reads:

DEAR MRS. ROGERS: Here is a valentine for you. Lay off your activities against us now, or we will get you. Who are we? We are the Nazis. We are the loyal supporters of Hitler. Long may he live. Down with the Israelites. Down with the Jews.

Then it reads: Signed "The Nazis."

I bring this letter to the attention of the Members of the House because I have received a great many threats recently. I warn the House and the country that not only communism stalks in the United States today but also nazism and Hitlerism. There are disloyal, subversive persons in the United States. They should be sent from the shores of America. No effort should be spared to remove them. They appear in strange and unexpected places. I believe they will be caught.

This letter will be turned over to the FBI, as well as other information that I have in my possession.

The CHAIRMAN. The time of the gentlewoman from Massachusetts has expired.

The pro forma amendment was withdrawn.

The Clerk read as follows:

CONTINGENT EXPENSES OF THE HOUSE

Miscellaneous items

Notwithstanding the provisions of the Treasury Department Appropriation Act, 1949, the appropriation for "Miscellaneous items" for the House of Representatives in the Legislative Branch Appropriation Act, 1949, shall be available for purchase of new or used typewriters at prices which do not exceed prices established under the provisions of the Treasury Department Appropriation Act, 1949.

Mr. McGREGOR. Mr. Chairman, I move to strike out the last word, and I ask unanimous consent to speak for an additional 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio [Mr. McGREGOR]?

There was no objection.

Mr. McGREGOR. Mr. Chairman, I desire at this time to call the attention of the committee to page 3 of the bill under the title "Architect of the Capitol, Capitol Building, Senate and House Roofs and Chambers."

I am calling this to the attention of the committee in order that I may give you a brief summary of what has taken place relative to the improvement of these Chambers.

Several years ago a special committee was appointed by the Speaker, with the thought of improving the interior of the House of Representatives. It was my privilege to serve as the ranking member on that particular committee, then as chairman of that particular committee, and today as the ranking minority member of the committee, under the chair-

manship of the capable gentleman from New York [Mr. BLOOM].

We have taken the position for some years that we would hold in abeyance any construction on these Chambers so that we might give to those individuals out in our respective districts the opportunity to obtain building material which is necessary for them to construct homes which are so badly needed. We also took into consideration the high construction costs and the high material costs, if you please, feeling that possibly at a later date these material costs would be less, and possibly at sometime we might get into a depression and have an unemployment program whereby we would have our plans ready to immediately step into the construction and the remodeling and improvement of these Chambers. That was the policy of your committee prior to the present time. We also objected during that past period of allowing this construction to be done on what is known as a cost-plus basis. Some of us are of the firm conviction that all should be given an opportunity to bid on the project, should be given an opportunity to have their day in court, so to speak, rather than to continue further on that philosophy and method of the Federal Government whereby we are developing a policy of letting contracts on a cost-plus-fixed-fee basis. When you go back to your private business I am certain that if you had a house to build or some other structure that you would ask for bids on it; then you would get value received for the dollar you spent. On a cost-plus basis, as set forth in this bill, you seldom know what your costs will be until the project is completed.

The question arises in our minds, just how much the repairs on this building, on this Chamber, will cost if we get into the category set forth in this bill of cost-plus-a-fixed fee. We have heard for quite some time that we who are members of the Legislative Committee should be careful and always protect our rights. Here is an appropriation measure that contains a definite legislative provision. I will quote from the bill:

The Architect of the Capitol is authorized to enter into contracts—

Please note—

including cost-plus-a-fixed-fee contracts as approved by the Special Committee on Reconstruction of House Roof and Skylights and Remodeling of the House Chamber, and to make such other expenditures as may be necessary for the improvements affecting the House wing of the Capitol authorized by such acts, in such amounts as may be approved by the House committee appointed under section 1 of the act of July 17, 1945, notwithstanding the provisions of section 2 of that act.

I may call to your attention the fact that previously we had authorized and appropriated $585,000 for the remodeling of this Chamber. Approximately one-half of that amount has been spent to date for plans, designs, and specifications; or approximately $292,500. This legislation gives further authorization and an appropriation of $2,274,500; and a contract is to be awarded, if you please, on a cost-plus-a-fixed-fee basis.

We did not have any meetings of the special committee until this morning we were called into session by the chairman of our committee. He presented to us a letter to sign; and I should like to read it to you. This is a letter dated February 15, 1949, today, and on the bottom of it appears this statement: "Members of House committee appointed under Public Law 155, Seventy-ninth Congress," and then there is supposed to be the signature of the House committee. It is addressed to Mr. David Lynn, Architect of the Capitol, and reads as follows:

MY DEAR MR. LYNN—

Mr. Lynn, by the way, is the national architect. He handed us this letter for us to sign, a letter which I believe he had written and addressed to himself. The letter is as follows:

MY DEAR MR. LYNN: Subject to the enactment of the necessary legislation and appropriation in the First Deficiency Act, 1949, you are hereby authorized and directed to enter into contracts and to incur such other obligations as may be necessary for the reconstruction of the roof over the House wing of the Capitol and improvement of the House Chamber, cloakrooms, and other adjacent areas included in the House project as approved by the House committee appointed under Public Law 155, Seventy-ninth Congress, in a total amount of not to exceed $2,567,000.

The contracts may be let on a cost-plus-a-fixed-fee basis to such extent and in such manner as in your judgment is to the best interest of the Government.

You are further authorized to award the general contract for the House project on a cost-plus-a-fixed-fee basis to the Consolidated Engineering Co., of Baltimore, Md., presently employed under contract of October 28, 1948, as the general contractor for the reconstruction of the roof over the Senate wing of the Capitol and improvement of the Senate Chamber, cloakrooms, and other adjacent areas.

Allow me to divert a moment and call your attention to the fact that this is on a cost-plus-a-fixed-fee basis. In this letter we are giving Mr. Lynn the authority to enter into a contract with one individual, if you please, the Consolidated Engineering Co., of Baltimore.

Now, if I may go on with the letter of instructions that the committee received:

The committee authorizes the award of the general contract to the Consolidated Engineering Co., without further competitive bidding, for the following reasons, predicated on the urgency of the time element:

(a) The materials and equipment required for the House project cannot be fabricated and delivered to the site in time to permit the start of construction work on July 1, 1949, unless orders for the same are placed immediately upon the approval of the First Deficiency Appropriation Act, 1949.

(b) Inviting of competitive bids and subbids for the House project, including bid analyses, conferences, and other details necessary prior to contract award, would cause too great a loss of time to permit scheduling, fabrication, and delivery of the required materials and equipment to the site by July 1, 1949.

(c) Utilization, insofar as practicable, of Senate subcontract bids for the House project at the same price levels used for the Senate project, which prices are the result of comparatively recent competitive bidding, will enable the House materials and equipment, which are similar in character to the Senate materials and equipment, to be included in the Senate production schedules, thereby expediting fabrication and enabling the maintenance of construction progress schedule for the House work on the same basis as the Senate work.

(d) Award of the general contract to the Consolidated Engineering Co. will eliminate the time losses that would otherwise be entailed not only by the securing of competitive bids and the possible necessity of having to work out the details of contract negotiations with another general contractor, but entailed also by the details necessarily incident to negotiations with different subcontractors than those employed for the Senate project, and the working out of new production schedules and other procedures.

Then there is a space for the members of the committee to sign.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. McGREGOR. Mr. Chairman, I ask unanimous consent to proceed for an additional minute.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. McGREGOR. Mr. Chairman, I am reading this whole detailed report because I firmly believe this committee should know about the whole procedure. I read the letter that was given to us in all fairness by Mr. Lynn, the Architect. It is entirely up to this committee. If you want to let the contract for the remodeling and repairing of this Chamber on a cost-plus-fixed-fee basis, it is in this bill. If you pass it as it is then you are giving complete authority and really a directive, to this special committee to enter into an agreement and award the contract to this one company on a cost-plus-fixed-fee basis.

Mr. WADSWORTH. Mr. Chairman, will the gentleman yield?

Mr. McGREGOR. I yield to the gentleman from New York.

Mr. WADSWORTH. Can the gentleman state how many members of the committee have signed that letter?

Mr. McGREGOR. None of the members of the committee have signed it yet because the Member speaking raised the question this morning whether or not we had any authority to bind this Congress to the expenditure of over $2,000,000, without further enabling legislation. It was suggested that we get a letter from the Comptroller General, Mr. Warren, citing his opinion before deciding whether or not we should sign this letter to Mr. Lynn.

The CHAIRMAN. The time of the gentleman from Ohio has again expired.

Mr. McGREGOR. I repeat, Mr. Chairman, these are the facts and it is up to the committee to decide what they want done.

The Clerk read as follows:

ARCHITECT OF THE CAPITOL

CAPITOL BUILDING, SENATE AND HOUSE ROOFS AND CHAMBERS

Capitol Building: For an additional amount to enable the Architect of the Capitol to carry forward the improvements affecting the House Wing of the Capitol authorized by the Second Deficiency Appropriation Act of June 27, 1940 (54 Stat. 629), as amended by the acts of June 8, 1942 (56 Stat. 342), and July 17, 1945 (59 Stat. 72), $2,274,500. The Architect of the Capitol is authorized to enter into contracts, including cost-plus-a-fixed-fee contracts as approved by the Special Committee on Reconstruction of House Roof and Skylights and Remodeling of House Chamber, and to make such other expendi-

tures as may be necessary for the improvements affecting the House Wing of the Capitol authorized by such acts, in such amounts as may be approved by the House committee appointed under section 1 of the act of July 17, 1945, notwithstanding the provisions of section 2 of that act: *Provided*, That the amounts so approved by such committee may be obligated in full prior to the actual appropriation thereof.

Mr. McGREGOR. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. McGREGOR: Page 3, line 6, strike out all of the paragraph.

Mr. McGREGOR. Mr. Chairman and members of the Committee, this amendment is offered so that each and every one of you will be given an opportunity to decide whether or not you want the remodeling done which will cost, in addition to what has been allocated, $2,274,500. This amendment would simply strike out that particular section of the deficiency bill which gives an authorization for the remodeling of this chamber and the adjoining cloak rooms. An authorization to be established under the legislation on a cost-plus-fixed-fee basis. I am certain that the other members of the committee, on which it is my privilege to serve, will not object to allowing you to decide whether or not you want to continue that procedure in Federal construction.

Again I reiterate my previous statement, if this amendment is turned down, the repairs of this section of the Capitol will, at least, be temporarily delayed. The procedure that we have carried for a number of years is that we should not repair at this time and allow the material, and that which is necessary for the repairs, to go to the individual who is having a difficult time to find material and labor to build a house. I am leaving it for your consideration whether or not you want to authorize a contract being entered into on a cost-plus-fixed-fee basis to the extent of $2,274,500 for the repair of these chambers.

Mr. TABER. Mr. Chairman, will the gentleman yield?

Mr. McGREGOR. I yield to the gentleman from New York.

Mr. TABER. Do I understand that neither the gentleman nor the gentleman from New York [Mr. BLOOM] agreed with this program?

Mr. McGREGOR. We have not agreed with the program, nor have we disagreed with it, I will say to the gentleman from New York. We gave consideration to it this morning. The question was raised whether or not we should sign the letter to Mr. Lynn, which has been previously referred to. The question was also raised whether or not we should enter into a contract of a cost-plus nature to the extent of $2,274,500. I want to be perfectly fair; a similar arrangement has been made in the Senate. They are following through on a cost-plus basis, but we have always taken the position that we are not going to do it on this side.

Mr. TABER. Frankly, I will not say that it is in the testimony, but I understood when this matter was before the committee that the gentleman's committee had approved it. Now, if that is not so, that is a different picture.

Mr. McGREGOR. I will say to the gentleman that we have not approved it. We had no meeting until this morning, and the statement referred to was handed to us, and we—I think in all fairness to those who have honored us with that responsibility—refused to sign the statement, and that is the reason I am taking the floor here today so that the committee may know what is incorporated in this legislation.

Mr. WADSWORTH. Mr. Chairman, will the gentleman yield?

Mr. McGREGOR. I yield to the gentleman from New York.

Mr. WADSWORTH. Is the gentleman in a position to state whether there is an emergent condition here which should be cured immediately or as soon as possible?

Mr. McGREGOR. I will answer that by repeating the statement that our good friend, the minority leader, made, "It is unsightly but safe."

Mr. RAYBURN. Mr. Chairman, will the gentleman yield?

Mr. McGREGOR. I yield to the gentleman from Texas.

Mr. RAYBURN. Just exactly what will be our situation? I am tired of this bandywork being over my head and destroying the symmetry and beauty of this Chamber. I have talked to the Architect of the Capitol and he says this work can be done in 5 months. If you strike out this paragraph, what will be our situation? Are we going to get this work done?

Mr. McGREGOR. May I say to the Speaker that it will require approximately a year to complete the whole project, and it would have to be done in two 5- or 6-months periods, for reasons that I am certain all of us are familiar with. Should we not pass this legislation, it probably would go over until another year, and if you did not decide then to do it then it would go over to another year. It is entirely within our power to authorize its construction at any time.

Mr. RAYBURN. That is just exactly what I think about this. If you strike this out, then no one can tell when this work will be done. Frankly, I do not feel any too safe under this thing. If we are not going to do anything if this is striken out, then I would certainly be opposed to striking out this paragraph. I think this work ought to be done. I think this Chamber ought to be modernized. I think we ought to have better seats in here.

Mr. McGREGOR. New seating arrangement is covered in the plans.

Mr. RAYBURN. We ought to have a great many other things. I should like to see this gray painted out and put back to gold, that was around here for so many years and that was so beautiful and so attractive to the eye. I do not like coldness when I can have warmth. I just fear that if you strike out this paragraph we are not going to get this job done in 2 or 5 or 10 years.

Mr. McGREGOR. Carrying further the statement of our distinguished Speaker it is incorporated in this legislation or at least the plans that if it goes through there will be a different seating arrangement; the plans have been in the Architect's office for many, many months where all can see them. There is a different seating arrangement being arranged for. The acoustical part is being taken care of. The beam work is taken out. The roof is changed. It will be the privilege of the various Members of Congress to decide what they want to do with the seals of their respective States, because the ceiling will be entirely different.

Mr. BREHM. Mr. Chairman, will the gentleman yield?

Mr. McGREGOR. I yield to my colleague from Ohio.

Mr. BREHM. If I understand it, the gentleman from Ohio [Mr. McGREGOR] is not opposed to the face-lifting operation but only to the manner in which the operation is to be performed. I agree with the gentleman. Surely there should be no objection to consulting various doctors of architecture. It would be better to consult and successfully operate rather than to operate without consultation and find that instead of effecting a cure, we had only succeeded in deforming.

Mr. McGREGOR. I certainly want this committee to know just what this section of the bill really does. We are most assuredly closing the door to any competitive bidding and closing the door to any other contractor, and allowing that one to construct on a cost-plus, fixed-fee basis.

I am certain that the other members of the special committee will join me when I say, "We want you to decide."

My personal opinion is that it should not be repaired now in the face of high prices, critical-material shortages, and I certainly do not like, or do I think it is fair to the taxpayers, a cost-plus construction procedure.

Mr. RAYBURN. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I have just this to say. The Architect of the Capitol—and I think everyone else understands this situation—thinks that it would be so much easier to do both these works at the same time. I fear, and let me express the fear again, that if we do not do this as provided in this bill we will not do anything for some years to come. I have talked with the Architect of the Capitol about this. I think it is his idea that these contracts ought to be carried on at the same time. I do not see why we should not look after our business and our comfort here just as the other body or anybody else does. I hope this provision is not stricken out of the bill.

Mr. TABER. Mr. Chairman, will the gentleman yield?

Mr. RAYBURN. I yield to the gentleman from New York.

Mr. TABER. I am wondering if something could not be done that would result in an amendment that would perhaps do away with this idea of letting the contract on a cost-plus basis to this one contractor, and leave it to the approval of this committee, composed of the gentleman from New York [Mr. BLOOM] and the gentleman from Ohio [Mr. McGREGOR], before a contract is entered into.

Mr. RAYBURN. I do not like cost-plus contracts. I believe this is the one way we are going to get this job done

within a year or two, to be frank about it.

Mr. STEFAN. Mr. Chairman, I move to strike out the last word and rise in support of the amendment.

Mr. CANNON. Mr. Chairman, will the gentleman yield?

Mr. STEFAN. I yield.

Mr. CANNON. Mr. Chairman, I ask unanimous consent that debate on this paragraph and all amendments thereto close in not to exceed 10 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri [Mr. CANNON]?

Mr. HUBER. Mr. Chairman, I object.

Mr. STEFAN. Mr. Chairman, I rise in support of this amendment. Many of you know of my great concern regarding the danger of possibly destroying valuable American architecture. I have gone all over this problem from its inception. There is absolutely nothing wrong with this ceiling. The original plan was to repair the roof because the architect and the engineers whom we brought here to Washington at the expense of the Government, to examine the ceiling, found some defects in the iron. Then we feared that a heavy snowfall would cause the roof to cave in because we had an instance where a heavy snow falling on the roof of a theater caused the death of some people some years ago.

We removed the roof over this Chamber and put up the superstructure and these iron supports for additional safety. However, the ceiling is in excellent condition. There is nothing the matter with it. I have seen some of the proposed plans, and I fear that when they are completed, some valuable American architecture, which should be preserved for posterity, would be removed. Your State seals will be removed. When they get through with this program of face lifting the Capitol of the United States, because there is an apparent defect in the dome where the lip hangs over the cornice, you will find that they are going to remove column after column of historical American architecture. The cornstalk pillars designed by Thomas Jefferson will be removed. Many of the statues, I am told, will be farmed out to the States. I, too, do not like to disagree with my distinguished Speaker, but I believe that we should have this matter reviewed in order that every Member of the House will realize his responsibility in voting for something that at some time they may be sorry for—something that will destroy American architecture which should be preserved for posterity.

Mr. WIGGLESWORTH. Mr. Chairman, will the gentleman yield?

Mr. STEFAN. I am glad to yield to the gentleman.

Mr. WIGGLESWORTH. If this paragraph is stricken out of the bill, is there any reason in the world why we cannot bring in, if necessary, a special resolution after the other body has considered the matter?

Mr. STEFAN. There is no hurry about it at all. We have many, many new Members here who also believe in preserving American architecture. Let them study this program which is designed to streamline the Capitol; to take away the State seals and put in neon lights and make this historic chamber look like a modern night club.

Mr. RAYBURN. Mr. Chairman, will the gentleman yield?

Mr. STEFAN. I yield.

Mr. RAYBURN. What does the gentleman suggest that we do about this matter? This roof has been condemned. What should we do about it?

Mr. STEFAN. The ceiling is intact and in perfect condition, Mr. Speaker.

Mr. RAYBURN. Does the gentleman from Nebraska really think that that is a correct statement?

Mr. STEFAN. That is what I am told, sir. I have crawled over every part of the roof that has been removed.

Mr. RAYBURN. I have been told otherwise. I do not know why, if the ceiling is in good condition, why we should have all this steel framework over our heads.

Mr. STEFAN. I would not debate that point with my distinguished Speaker, but I have gone into this matter carefully and I have been told by the Architect that the ceiling is in perfect condition. I have been told that your State seals, from Kentucky and Maine and Ohio, and every State in the Union, would be removed. They have shown me other designs for changing the appearance of this Chamber.

Mr. RAYBURN. Then why is this steel structure erected over us if the ceiling is safe? Why do we have these steel girders supporting the ceiling?

Mr. STEFAN. For the reason of additional protection, since they removed most of the roof, because we are liable to have a snow that would come down on top of the ceiling. You could make this chamber safe by putting on the roof that they originally wanted to replace. There has been no change in this historic Chamber from the very time it was constructed, except the seating capacity or arrangement. No other change has been made. And yet overnight, Members of the House, you are participating in a program that some day you will regret.

The CHAIRMAN. The time of the gentleman from Nebraska [Mr. STEFAN] has expired.

Mr. RABAUT. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I was a member of the original committee, together with Senator CONNALLY, to investigate the roofs of the Chambers. We went up there, and we were astonished. This roof is somewhat similar to a bridge construction. It is up beyond this glass ceiling, and, incidentally, what appears to be plaster overhead is cast iron. That is a cast-iron ceiling that weighs either 80 or 120 tons. I am calling this figure from memory. This bridge roof support is of old-fashioned iron construction, with pins holding the two elements together in the brace of the roof. Those pins were bent, each pin going in two directions, proving to anyone who would look at them that the pins were broken somewhere in between. This roof is dangerous. When it was brought to the attention of the able Speaker of this House as a precautionary measure, we proceeded to put in this beamwork, inside of this Chamber, which I want to explain to the new Members of the House does not belong in this room and would not be in this room for this period of time, had it not been for the war which came along, and of course set all things of this nature aside by reason of its immensity.

Now, Mr. Chairman, how long is this bridgework to be in this room? How long are we to sit idly by, when people come to the Capitol, and ask them to hide behind posts to take a look at the House of Representatives, that cannot even put their own Chamber in order without debate such as we have had here this afternoon?

Over and above that, the Chamber at the other end of the Capitol, the Senate Chamber, is smaller than this Chamber, and that roof is in a similar condition, because all of the air-conditioning has been hung in these roofs, among other things up there that were not there originally, adding weight to a condition which made it all the more dangerous, both here and over in the Senate.

The Senate has entered into an agreement with the contractors, and they did it in the Eightieth, Republican Congress, for the repair of their Chamber. They are to vacate the Chamber by the 30th of June of this year. Now, do we want trucks and whistles and hoists out in front for 4 or 5 years, to the inconvenience of the American people when they come to the Capital of the United States, or do we want to step on the gas and get this thing over with? I see no reason why we should not proceed to take the bridgework out of this Chamber. It is very nice for my friend the gentleman from Nebraska to talk about moving a statue or moving something else. They have been moving statues and men around this building for a long time; they have moved them out since I have been here; and I was moved with them once.

Many statues were taken out of the rotunda a few years ago, as you older Members will recall, and it is no longer permitted to place them away from the sides of the room, for they have all been moved closer to the supporting walls, because it was discovered there was a danger from the concentrated weight.

This roof is 90 years old; it was built according to the standards of those days. It should be taken off now just like a chap would shed his ancient cap.

Mr. CASE of South Dakota. Mr. Chairman, if I understood correctly the description of the structure above us as given both by the gentleman from Nebraska and the gentleman from Michigan, there is a difference between the ceiling and the ironwork that we see, and the roof itself which is or was above the ceiling. Apparently the condition of the roof itself was responsible for the ironwork. I remember that shortly after I came here this ironwork was put in because we were told that if a heavy snow should come, the ceiling might fall on us; but apparently a distinction should be made between the ceiling, including these sections which carry the State seals, and the structure of the roof above.

Mr. McGREGOR. Mr. Chairman, will the gentleman yield?

Mr. CASE of South Dakota. I yield.

Mr. McGREGOR. We held a brief hearing yesterday. As to the safeness, or the unsafeness, if you choose to call it such, of this ceiling, we have been assured that the roof has been removed. These beams were put in; and as I have said before, and the evidence before our committee will show, it is unsightly but safe.

The gentleman from Michigan said the roof has been here for 80 or 90 years. I might say to my distinguished friend that that section has been moved and was moved when we put in these new beams.

Mr. RABAUT. The gentleman is not correct.

Mr. CASE of South Dakota. Just a minute. If I have time I will be glad to yield to the gentleman.

Now, personally, I would like to see the seals preserved up here. This morning I read in one of the columns, I think it was in the Washington Post, that under the plan that had been agreed to, if this language should prevail, these seals would be removed.

I should like to know whether the plan as presently contemplated does include the removal of the seals from the ceiling? Could some gentleman of the committee advise me definitely on that point?

Mr. McGREGOR. As a member of the committee I may say that it has been agreed that the seals will be removed and will be taken care of according to the will of the various State organizations.

Mr. CASE of South Dakota. That is if we approve this language.

Mr. McGREGOR. That is right.

Mr. CASE of South Dakota. Then our only chance to preserve the seals for the House of Representatives is to take the language out.

Mr. McGREGOR. Either that or endeavor to get your committee to change the plans of remodeling so that the seals will be retained; but under present plans and specifications the seals will be removed. That is called for.

Mr. CASE of South Dakota. I share the desire of the Speaker to see this work done. We should agree upon a plan for the work and go ahead with it; but if the present plans, as they appear to, mean the removal of the State seals from the Chamber of the House of Representatives I shall be compelled to support the amendment to strike this language from the bill. In voting that way, however, I do not want it understood as meaning that I am opposed to getting rid of this ironwork and the unsafe condition of the Chamber, but rather that I want the seals preserved for the House of Representatives.

Mrs. BOLTON of Ohio. Mr. Chairman, I move to strike out the requisite number of words.

Mr. Chairman, I wonder how many Members of this body have taken the trouble to go down to the Architect's rooms and see the plans? I wonder if they know that these two doorways will be changed, that the position of the portraits will be changed, that Brumidi's painting of General Washington and Lord Cornwallis will be removed—Why? Because there must be balance in the Chamber and there is no painting in the corresponding corner on the other side of the Chamber. Not only will this ceiling of the State seals be destroyed but also all the decorations will be changed. There will be columns on either side of the Speaker's chair that might bury the Speaker behind them. Columns are formal and cold and out of keeping with this present old room so filled with understanding between the Speaker and those of us on the floor. And these are but the simpler changes.

It seems to me a great pity that we in this young country do not see the value to posterity of this great Capitol. A thousand years hence—and we hope this Capitol will still be here—the young people will not bless us if we remove all evidence of ourselves and our methods and our ways of life.

You know well that in the other countries of the world, in the old countries of the world, it is very wonderful to go into their houses of parliament, or whatever they may be called. Redolent of the past they give dignity to all that there transpires—they are living history.

Let me call attention again to the condition between the ceiling and the roof. If the contractors so lack ingenuity that they cannot find ways of making the roof safe over and above this old fashioned, traditional celing, we had better find another contractor!

I too agree with the Speaker in the matter of the removal of our factory construction—but here under these iron beams we fought a war like no other war.

For myself—and I am certain that I speak for the people of this great Republic—I would rather keep the factory supports a little longer than destroy this atmosphere. By all means let us have new chairs, but not new walls. You have not seen the picture of the dull, arched ceiling, the uninteresting design. If you had, you would not lend yourselves to this destruction.

They say we will be able to hear. If we are quiet, we can always hear. Are you so sure the change will do all you say it will?

To use as an argument the removal of these steel struts to strengthen a roof that can be strengthened up above and so destroy an atmosphere that has seen some of the great of our country, within whose walls vibrates something we cannot afford to lose, Mr. Chairman, will deprive those who come after us of a rich heritage they can ill afford to lose.

The CHAIRMAN. The time of the gentlewoman from Ohio has expired.

Mr. RABAUT. Mr. Chairman, I ask unanimous consent that all debate on the pending amendment and all amendments thereto close in 10 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from Wisconsin [Mr. KEEFE].

Mr. KEEFE. Mr. Chairman, I shall not take 5 minutes. I would like to direct your attention, however, to the fact that before long an analogous situation will no doubt be presented to the Congress. I refer to the situation that involves the historic White House. It is said on good authority that the present structure could be reduced and a new structure be built to meticulous specifications as to present form at a cost of $2,000,000. It is further said that to preserve that historic structure as is, with suitable improvements, will cost from six to eight million dollars, and you are going to have to ultimately decide that when the appropriation for that estimate comes before the Congress.

Now, the wails have gone up all over this country at the very thought of destroying that historic structure, and voices have been raised all over this country to preserve it, cost what it may. Now you will have to meet that issue again a little later on.

I am inclined to agree with the gentlewoman from Ohio [Mrs. BOLTON] and my good friend the gentleman from Nebraska [Mr. STEFAN]. I was here when these atrocious supports were put in this room. As a Member of the House of Representatives I have not suffered any by it. I have seen the plans that are proposed. Far be it from me to attempt to assess whether those plans are the best that could be prepared or not. But, let me tell you that if you vote for this proposal you are going to vote to destroy this Chamber of the House of Representatives as we have known it and as the people have known it for the last 90 years.

Maybe we have reached a point where sentiment means nothing, but in my vote it still does mean something. I would hate to have this Chamber transformed in the manner in which it has been suggested and thus for all time destroy the identity of this Chamber with the historic past. It is more than just a mere changing of the roof, Mr. Chairman. There is more to this situation than just the mere expenditure of this money in order to improve the comfort of people who are involved.

Mr. RAYBURN. Right there, Mr. Chairman, will the gentleman yield?

Mr. KEEFE. I gladly yield to the distinguished Speaker.

Mr. RAYBURN. Neither the Architect of the Capitol nor anyone else during the next 2 years can make any plans for changing this structure unless they consult with the committee of the House named by the Speaker the other day. That committee is composed of the gentleman from New York [Mr. BLOOM], the gentleman from Arkansas [Mr. TRIMBLE], the gentleman from Florida [Mr. SMATHERS], the gentleman from Ohio [Mr. McGREGOR], and the gentleman from Massachusetts [Mr. GOODWIN]. Neither the Architect of the Capitol nor anybody else could do anything without the approval of that committee.

Mr. KEEFE. Now, Mr. Chairman, as I read the language of the bill, it says:

> The Architect of the Capitol is authorized to enter into contracts * * * in such amounts as may be approved by the House committee—

And so on. I understand from the statement of the gentleman from Ohio [Mr. McGREGOR] that the Architect of

the Capitol has already, before the passage of this act, presented a letter of approval of this program to go into effect, and the whole necessity and urgency is based upon the fact that unless he is immediately authorized to enter into this contract in collaboration with the contract that has been entered into to improve the Senate, that we will not get what we want.

Mr. RAYBURN. The bill goes on to say:

and to make such other expenditures as may be necessary for the improvements affecting the House wing of the Capitol authorized by such acts, in such amounts as may be approved by the House committee—

And so forth.

Mr. KEEFE. Well, I understand that, but for all practical purposes does not the Speaker realize, and I am sure he does, that if we pass this appropriation this afternoon, the balance of it is merely perfunctory because the plan has already been submitted to the committee? The committee is prepared to go ahead, and the very basis of it all is speed. We must work in cooperation with this firm of contractors that is doing over the Senate. I wish it could be done that way and preserve this historic Chamber.

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. PHILLIPS].

Mr. PHILLIPS of California. Mr. Chairman, I rise to support the statements made on this floor by the gentlewoman from Ohio and the gentleman from Wisconsin. The bill brought before us is a deficiency bill. This is considered so important a matter that we cannot wait for 6 weeks, or whatever the time may be, before an appropriation bill comes before this House in its regular order appropriating $2,274,500.

If the distinguished gentleman from Texas, the Speaker of the House, is correct, and it is necessary for the committee still to approve plans, for plans still to be completed, then it seems to me it is primary evidence that it is not necessary for this item to be in a deficiency appropriation bill. It might very well take its proper order. The committee might consider the plans, vote upon them, pass them, and determine the amount of money, for if the plans have not been approved, how does the committee know the amount of money that is necessary?

However, I call attention primarily to two things. One has already been spoken of by the gentleman from Wisconsin [Mr. KEEFE], and that is that right downtown, at 1600 Pennsylvania Avenue, we have a house which does not have the historic associations of the Chamber in which we sit today. Here the laws of the United States have been made. In the other house they have only been carried out. This is the body, this is the building, this is the Chamber, in which United States history has been made. Yet when it comes to repairing the White House, at 1600 Pennsylvania Avenue, we have evidence before our committee that $6,400,000 is to be spent on the White House to preserve the White House as it stands, when a like building, similar in every way, better and more modern, could in the words of the head of the Public Buildings Administration be built for half that amount. It seems to me that here, in this Chamber, is where the historic evidences of the history of this country ought to be preserved.

So let me tell you what England did under exactly the same situation. England during the last war was bombed, bombed thoroughly, bombed as I hope this country may never know what bombing is. The House of Parliament was struck by bombs. The House of Commons was completely destroyed, gutted, nothing left standing except the walls, with everything else open to the air. The chamber of the House of Commons, which goes down in its history and in the hearts of the people of England as this building should go down in the hearts of the people of America, never was big enough, or has not been big enough for generations, to seat all of the members of the House of Commons at one time.

What would have happened in this country? If this is any evidence, architects and committees and Architects of the Capitol and building contractors would immediately have rushed in and said, "Here is our chance. Now let us build a great big room, a great big new room. There isn't anything left. Let us build one that will take all the members of the House of Commons at one time." Did they do that? No. The new House of Commons which is now being built in England is exactly the same size, an exact replica of the room which was bombed during the war.

It seems to me that while this may not be the most important matter to come before this House this session, it is a very important matter. If this Nation is to be preserved, we must look back to some of the principles that were established in this room, and we should be reminded by the room of what those principles were and of their association with the history of the United States.

Mr. VORYS. Mr. Chairman, will the gentleman yield?

Mr. PHILLIPS of California. I yield to the gentleman from Ohio.

Mr. VORYS. Am I not correct in believing that this Chamber, this building of our young Republic is the oldest House of Representatives in the world? The British Chamber is younger than this. I think the French Chamber is, and I know of no chamber where the elected representatives of the people meet any place in the world that is as old as this 90-year-old Chamber in which we meet.

Mr. PHILLIPS of California. I thank the gentleman. I am sure we should preserve it.

Mr. MILLER of California. Mr. Chairman, will the gentleman yield?

Mr. PHILLIPS of California. I yield.

Mr. MILLER of California. I want to supplement what the gentleman said about the House of Commons in England. When I was there the Assistant Speaker told us that the reason they did not enlarge the Chamber, or at least one of the pertinent reasons, was that they always have so many people absent, about 100 or 150, that if they enlarge the Chamber, the absence would be so much more noticeable and that they therefore retained the old size.

Mr. PHILLIPS of California. Is the gentleman suggesting that, in making this change, we reduce the size of this Chamber?

The CHAIRMAN. The time of the gentleman from California has expired. All time has expired.

The question is on the amendment offered by the gentleman from Ohio [Mr. MCGREGOR].

The question was taken; and on a division (demanded by Mr. STEFAN) there were—ayes 74, noes 116.

Mr. McGREGOR. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. RABAUT and Mr. MCGREGOR.

The Committee again divided; and the tellers reported there were—ayes 78, noes 122.

So the amendment was rejected.

Mr. WORLEY. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. WORLEY. In view of the difference of opinion in the House, I wonder if it would be satisfactory if we just repaired the roof on the Democratic side and let the Republican side stay as it is.

The CHAIRMAN. The gentleman does not state a parliamentary inquiry.

Mr. KERR. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. COOPER, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill H. R. 2632, the urgent deficiency appropriation bill, had come to no resolution thereon.

PERMISSION TO ADDRESS THE HOUSE

Mr. PATTEN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Arizona?

There was no objection.

COMMITTEE ON VETERANS' AFFAIRS

Mr. PATTEN. Mr. Speaker, as a Member of Congress, I am not in sympathy with the manner in which the Veterans' Affairs Committee was conducted this morning. A bill of such magnitude was reported out that it might involve as much as $200,000,000,000 in the future, and affects thousands of veterans.

This bill was reported with a total hearing time of 7 minutes, having never been seen by many members of the committee prior to the meeting this morning. I shall always object to conducting a committee hearing in this fashion.

I have a very keen interest in the problems of veterans and I am anxious to see this particular bill be given full and adequate consideration by the Members of both Houses. Certainly a bill affecting the very life and welfare of our veterans should be given every considera-

tion and study. The committee, I feel, was being put in a position to place its stamp of approval upon proposed legislation regardless of its feeling in the matter, and without giving the Members a chance to pursue the details in the bill. Neither was their help asked or their advice requested on what may or may not be best in this legislation. We believe that, because we are on this committee, we are responsible to the veteran and are his voice on matters pertaining to legislation that concern him as well as the public in general. Therefore, it behooves the chairman, as well as the committee members, to familiarize themselves with any measures that are brought before the committee for its action. My 5 years in the service, with 31 months overseas, justify my belief that I have as great an interest in this legislation and in the veterans and their problems as any Member of this Congress. My continued interest in veterans' organizations since my discharge in 1945 further substantiates this.

It was necessary for the members of the committee to decide in 7 minutes what the minimum age would be for a pension, and to vote to exclude the 62–64-age group without an adequate presentation of background data to substantiate this exclusion. Further, the bill provided for the pensioning of those other than honorably discharged from the armed services and gave consideration to non-service-connected disability veterans below the age of 65. The chairman of this committee did not permit me or any other member of the committee the opportunity to ask questions or discuss these facts, but in an arbitrary manner himself called for a roll-call vote. I consider that he has exceeded his authority as chairman and is not providing adequate opportunity for the problems of veterans to be considered, for members of the committee to be heard, or for information to be distributed and assimilated.

MR. CORBETT DESIGNATED TO READ WASHINGTON'S FAREWELL ADDRESS

The SPEAKER. Pursuant to the special order agreed to today, the Chair designates the gentleman from Pennsylvania [Mr. CORBETT] to read Washington's Farewell Address immediately after the reading of the Journal on Tuesday, February 22, 1949.

PERMISSION TO ADDRESS THE HOUSE

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

PROGRAM FOR THE BALANCE OF THE WEEK

Mr. McCORMACK. Mr. Speaker, last week I announced that if the bill (H. R. 782) to constitute the Federal Security Agency a Department of Welfare were reported out of committee, that it would be on the program for this week. The bill is still in the committee; and even if it were reported now, the bill could not come up this week.

With that exception the program is the same as heretofore announced.

With the completion of the bill now under consideration there will follow H. R. 1661, the Export Control Act; House Resolution 66, the investigation of public lands; and House Resolution 75, investigation by the Committee on Education and Labor.

There will be a bill out of the Committee on Merchant Marine and Fisheries, House Joint Resolution 92, continuing the authority of the Maritime Commission to sell, charter, and operate ships until June 30, 1949.

If these bills are disposed of by Thursday, it is my intention to ask to adjourn over until the following Monday.

PERMISSION TO ADDRESS THE HOUSE

Mr. MARTIN of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

REPUBLICAN OBJECTORS ON CONSENT AND PRIVATE CALENDARS

Mr. MARTIN of Massachusetts. Mr. Speaker, for the information of the House I wish to state that the Republican objectors on the Consent Calendar will be the gentleman from Iowa [Mr. CUNNINGHAM], the gentleman from Wisconsin [Mr. BYRNES], and the gentleman from New York [Mr. WILLIAM L. PFEIFFER].

The objectors on the Private Calendar will be the gentleman from Iowa [Mr. DOLLIVER], the gentleman from Wisconsin [Mr. SMITH], and the gentleman from Pennsylvania [Mr. LICHTENWALTER].

EXTENSION OF REMARKS

Mr. BREHM and Mr. RABAUT asked and were given permission to revise and extend the remarks they made in the Committee of the Whole today.

Mr. KEATING asked and was given permission to extend his remarks in the Appendix of the RECORD and include a letter to the editor of the New York Times.

Mr. CANFIELD asked and was given permission to extend his remarks in the Appendix of the RECORD and include an editorial from the Passaic (N. J.) Herald-News on housing.

Mr. KLEIN asked and was given permission to extend his remarks in the Appendix of the RECORD in four separate instances and in each to include extraneous matter.

Mr. O'NEILL asked and was given permission to extend his remarks in the Appendix of the RECORD and include extraneous matter.

Mr. FLOOD asked and was given permission to extend his remarks in the Appendix of the RECORD and include an editorial from the Times-Leader-Evening News of Wilkes-Barre, Pa.

Mr. HAYS of Arkansas asked and was given permission to extend his remarks in the Appendix of the RECORD and include a short statement.

Mr. FORD asked and was given permission to extend his remarks in the Appendix of the RECORD and include a speech by the gentleman from Connecticut [Mr. LODGE].

SPECIAL ORDER GRANTED

Mr. BLATNIK. Mr. Speaker, I ask unanimous consent to address the House for 10 minutes tomorrow following the legislative program of the day and any special orders heretofore granted for that day.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

SPECIAL ORDER TRANSFERRED

Mr. BIEMILLER. Mr. Speaker, I ask unanimous consent that the special order I had for tomorrow be changed to Thursday of this week.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

SPECIAL ORDER

The SPEAKER. Under the previous order of the House, the gentleman from Minnesota [Mr. BLATNIK] is recognized for 15 minutes.

THE ST. LAWRENCE SEAWAY AND POWER PROJECT

Mr. BLATNIK. Mr. Speaker, I have today introduced House Joint Resolution 161, and my colleague, the gentleman from Wisconsin, ANDREW BIEMILLER, has introduced an identical resolution, calling for the construction of the St. Lawrence seaway and power project—a project which has been the hope and dream of the people of the Great Lakes area for over two decades, and one which is necessary to the future prosperity and welfare of the entire Midwest section of the United States. There is no need to present a detailed analysis of the provisions of this resolution on this occasion. The effect of this bill is to authorize the President to approve the 1941 agreement with Canada to permit the construction of the St. Lawrence seaway and power project in cooperation with Canada.

The advantages of constructing the St. Lawrence project are so obvious, so convincing, and so well known that I need mention them only in passing. By building the necessary dams, locks, and canals to remove the obstructions to shipping in the 119-mile bottleneck between Ogdensburg, N. Y., and Montreal, Canada, a great inland seaway of 2,351 miles in length would be made available to ocean shipping. This would mean that the deep-sea vessels from all over the world would be able to steam up the St. Lawrence River from the Atlantic Ocean, and unload their cargoes at the Great Lakes ports of Duluth, Chicago, Detroit, Cleveland, and Buffalo.

Such an inland shipping system would mean great savings in transportation costs to consumers and producers alike. It is estimated that the average reduction in transportation costs would be about $3.90 per ton. Automobiles could

capable and deserving of self-government.

Needless to say, I greatly regret that at the present time the people of Lithuania should be denied the freedom and liberty that I personally urged and advocated.

It is my fervent hope and prayer that in the not too distant future, Lithuania will again be liberated, together with the other unfortunate countries of Europe.

The SPEAKER. The time of the gentleman from Illinois has expired.

PERMISSION TO ADDRESS THE HOUSE

Mr. PHILBIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts [Mr. PHILBIN].

There was no objection.

CARDINAL MINDSZENTY AND BISHOP ORDASS

Mr. PHILBIN. Mr. Speaker, I hope the House will give due consideration to the resolution submitted to us by the general court of Massachusetts memorializing Congress to use all possible means to secure the release of Cardinal Mindszenty and Bishop Ordass.

These flagrant and inhuman outrages against organized Christianity have aroused the righteous indignation of the American people and millions of right-thinking, liberty-loving peoples throughout the world.

I believe it is the duty of this Government to take immediate and unequivocal action to secure the release of these persecuted churchmen and move to prevent the reoccurrence of similar outrages against persons because of their religious convictions and courageous opposition to the godless doctrines and practices of communism.

PERMISSION TO ADDRESS THE HOUSE

Mr. ROONEY. Mr. Speaker, I ask unanimous consent to proceed for 1 minute and to revise my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New York [Mr. ROONEY]?

There was no objection.

ANNIVERSARY OF THE INDEPENDENCE OF LITHUANIA

Mr. ROONEY. Mr. Speaker, I shall take advantage of the time allotted me to express my thoughts on this thirty-first anniversary of the declaration of independence by the people of Lithuania. I am proud of the fact that this nation has refused to recognize Russia's annexation of Lithuania and her two Baltic neighbors, Latvia and Estonia. I sincerely pray that we may continue our stand in this regard until the day when Lithuania and the Baltic states become free and independent governments once again.

No finer citizens ever emigrated to these shores than those who came from Lithuania. Today, when these Americans of Lithuanian birth and descent celebrate throughout this Nation the declaration of independence made at Vilnius, Lithuania, on February 16, 1918, they have in their hearts genuine appreciation of our Government's refusal to recognize the Moscow-trained gangsters and cutthroats who have taken over the land they love.

Lithuania is, I hope, only temporarily isolated by the iron curtain. Because of the barbaric treatment accorded them by the Communists thousands of her people have perished while stoutly maintaining their religious convictions, belief in God and right to freedom.

Despite constant persecution and indescribable humiliations suffered by these people in their struggle, they have had the fortitude and courage to carry on a resistance against the oppressors who serve the Soviet Union.

Our forefathers founded our free and liberty-loving country upon the recognition of the existence of a supreme being. I am sure that the people of our Nation, of all religious faiths and creeds, are saddened at heart today by the plight of Lithuania. I am sure they join me in thoroughly denouncing these communistic tyrants of Soviet Russia who, through intimidation and force, have brought about the enslavement of Lithuania and the Baltic states.

EXTENSION OF REMARKS

Mr. MARTIN of Massachusetts asked and was granted permission to extend his remarks in the RECORD in two instances and include resolutions.

Mr. LANE asked and was granted permission to extend his remarks in the RECORD in two instances, in one to include a statement from the Irish Legation, and in the other to include a resolution by the State of Massachusetts memorializing Congress with reference to Cardinal Mindszenty.

Mr. ELLIOTT asked and was granted permission to extend his remarks in the RECORD and include a letter.

Mr. JONES of Alabama asked and was granted permission to extend his remarks in the RECORD and include an editorial from the Atlanta Journal.

Mr. ENGEL of Michigan asked and was granted permission to extend his remarks in the RECORD and include excerpts from the Michigan soil-conservation report.

PERMISSION TO ADDRESS THE HOUSE

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

ANNIVERSARY OF LITHUANIAN DECLARATION OF INDEPENDENCE

Mrs. ROGERS of Massachusetts. Mr. Speaker, I am very happy to join with the other Members of Congress in paying my tribute and extending my congratulations to the fine, brave people of Lithuania, who celebrate today the thirty-first anniversary of their declaration of independence. Late this afternoon I shall go to the Lithuanian Embassy to convey in person my good wishes and to tell the Lithuanian Ambassador how much we admire the Lithuanians who are in our country and how much they have contributed to America.

As I was listening to the other Members, I could not help but feel the gravity of the situation of these courageous people of Lithuania, isolated behind the iron curtain—people who are dying and suffering because of their faith and their love of freedom. I believe everyone in the world today who wants a free and democratic form of government will join with us here in America in wishing them a future of happiness, and freedom to enjoy it. Those of us assembled here know how hard the United States is working to remove the iron curtain and to secure freedom, independence, and happiness for the world.

PERMISSION TO ADDRESS THE HOUSE

Mr. BYRNES of Wisconsin. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

VETERANS' PENSION BILL

Mr. BYRNES of Wisconsin. Mr. Speaker, yesterday the Committee on Veterans' Affairs reported out a bill providing $90 a month pensions for the veterans of World War I and World War II after they reach the age of 65.

The press describes this bill as a "hot potato" in the lap of the administration. It is no "hot potato" as far as this particular Member of Congress is concerned.

I am unalterably opposed to this bill. Let me serve notice that if an attempt is made to bring this bill up under suspension of rules, I will certainly object to such procedure.

This legislation is dishonest. It attempts to deceive the veterans into believing they are getting something for nothing when, as a matter of fact, in 10 years our veterans will be shouldering half of the Nation's tax burden, including the tremendous increase this bill contemplates.

Such legislation is unsound. At a time when we are staggering under the impact of our huge war-incurred debt, at a time when all of our resources and ingenuity are pledged to the prevention of another such conflict, it would take us dangerously near the brink of national insolvency.

I want the veteran to be able to look forward to a future in which peace is possible, in which his Government is sound, in which his tax burden is reasonable, in which he can be assured of governmental care based on his need—a future, in other words, which has meaning for him and his children. This bill will seriously jeopardize that future.

In all sincerity I say to you, Mr. Speaker, if we Members of this great legislative body cannot point out to the veterans in our individual districts the dangerous fallacies in this legislation, then we do not deserve to represent our districts in future Congresses.

PERMISSION TO ADDRESS THE HOUSE

Mr. MACY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

AN ANSWER TO SHORTAGES AND CONTROLS

Mr. MACY. Mr. Speaker, in view of this morning's newspaper comment to the effect that the majority expect to reinstate controls, it might be interesting to note that 105,000 tons of scrap steel came over from the German Ruhr in December and 150,000 tons in January. These are larger amounts than have come over in previous months and the boats taking over relief have not come back empty to that extent.

While it was urged last year that this operation was desirable, it is also interesting to note that during the fine summer swimming weather, a tight embargo was placed on scrap steel so that the relief boats were coming back empty, for the most part. This was due to interdepartmental and international involvements.

Steel has been recently, and now is being, manufactured in the United States at unprecedented peacetime rates and doubtless had steel scrap come back last summer more finished steel would have started flowing through our domestic markets at an earlier date. This only shows that increasing supplies is a much better answer to shortages than controls, which simply divert scarce supplies into black markets at prodigious advances.

Another result is that steel scrap in the United States has dropped from $50 to $37.50 a ton, which may have an effect not only on the supplies of finished steel but upon the price as well. It would not surprise me if price support efforts would now be made, which would again induce shortages, which would set in motion renewed measures for control.

LEAVE OF ABSENCE

Mr. HOEVEN. Mr. Speaker, I ask unanimous consent that my colleague the gentleman from Iowa [Mr. CUNNINGHAM] may be excused indefinitely on account of official business.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

EXTENSION OF REMARKS

Mr. JONAS asked and was given permission to extend his remarks in the Appendix of the RECORD and include a resolution adopted by the State board of the Illinois Federation of Women's Clubs, December 8, 1948.

Mr. WILLIAM L. PFEIFFER asked and was given permission to extend his remarks in the Appendix of the RECORD and include an address by Senator IVES.

Mr. KEATING asked and was given permission to extend his remarks in the Appendix of the RECORD, commemorating the thirty-first anniversary of the birth of the Republic of Lithuania.

Mr. HESELTON asked and was given permission to extend his remarks in the Appendix of the RECORD.

Mr. VAN ZANDT asked and was given permission to extend his remarks in the Appendix of the RECORD and include an article by David Lawrence on the Atlantic Defense Pact.

Mr. D'EWART asked and was given permission to extend his remarks in the Appendix of the RECORD and include a resolution adopted by the Senate of the State of Montana.

Mr. MILLER of California. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include an article entitled "Know Your Congress." I am informed by the Public Printer that this will exceed two pages of the RECORD and will cost $159.75, but I ask that it be printed notwithstanding that fact.

The SPEAKER. Without objection, notwithstanding the cost, the extension may be made.

There was no objection.

[The matter referred to appears in the Appendix.]

Mrs. ROGERS of Massachusetts asked and was given permission to extend her remarks in the RECORD and include an article by Mr. Bill Cunningham, of the Boston Herald.

PERMISSION TO ADDRESS THE HOUSE

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

VETERANS' PENSION BILL

Mr. RANKIN. Mr. Speaker, I was very much surprised at the speech of the gentleman from Wisconsin [Mr. BYRNES] who spoke a moment ago, attacking the bill for the pensioning of World War veterans who have reached the age of 65 years. His speech showed that he did not know what he was talking about. That bill merely follows the exact line of the Spanish-American War pension bill, except that the committee voted out of it the provision for pensioning veterans at age 62 and raised the minimum age to 65 years.

You were told on yesterday, that the bill would pension dishonorably discharged veterans. There is not a word of truth in that statement.

You were also told on yesterday that we only had 7 minutes of hearings on the measure. We have been holding hearings on these measures for weeks. There are 186 pages of hearings. We brought in every witness anybody asked for. Yesterday there appeared before our committee the representatives of the Veterans' Administration for the members of the committee to ask any questions they desired.

You have been told that this bill was reported by a minority. There were 19 of the 27 members of the committee present. One distinguished gentleman was unavoidably absent, and I refer to the gentleman from Kansas [Mr. MEYER]. If he had been present we would have had 20. We had 19 members present and all of them, with the possible exception of 2 or 3, voted to report the bill.

I am filing my report as chairman of the Veterans' Affairs Committee today, and we hope to bring it to the floor of the House for final passage at an early date.

The SPEAKER. The time of the gentleman from Mississippi has expired.

FIRST DEFICIENCY APPROPRIATION BILL, 1949

Mr. KERR. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H. R. 2632) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1949, and for other purposes.

CALL OF THE HOUSE

Mr. H. CARL ANDERSEN. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Obviously a quorum is not present.

Mr. COOPER. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 13]

Abbitt	Curtis	O'Toole
Allen, Ill.	Davis, Tenn.	Pace
Allen, La.	DeGraffenried	Perkins
Beall	Dingell	Pickett
Bennett, Fla.	Donohue	Potter
Bentsen	Ellsworth	Poulson
Blatnik	Gilmer	Quinn
Boggs, Del.	Gossett	Reed, Ill.
Boykin	Halleck	Ribicoff
Breen	Heffernan	Sanborn
Buckley, N. Y.	Hoffman, Ill.	Shafer
Bulwinkle	Irving	Smathers
Burnside	Jackson, Calif.	Smith, Ohio
Byrne, N. Y.	Jenkins	Somers
Carlyle	Judd	Taylor
Chesney	Linehan	Thomas, N. J.
Cole, Kans.	McMillan, S. C.	Towe
Colmer	Mason	Trimble
Coudert	Miles	Weichel
Cunningham	Morrison	Whitaker

The SPEAKER. Three hundred and seventy-one Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

FIRST DEFICIENCY APPROPRIATION BILL, 1949

The SPEAKER. The question is on the motion of the gentleman from North Carolina.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H. R. 2632) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1949, and for other purposes, with Mr. COOPER in the chair.

The Clerk read the title of the bill.

Mr. HUBER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HUBER: On page 3, line 12, before the period insert "*Provided*, That in making such improvements the basic architecture of the House Chamber shall not be altered and the existing skylights of the House Chamber shall be retained."

Mr. HUBER. Mr. Chairman, I listened to the debate yesterday regarding the reconstruction of the House Chamber with a great deal of interest. I share the opinion of our esteemed Speaker and others that this structural steel should be removed from the roof of this Chamber.

I am not an architect or an engineer. However, I heard the reference to the amount of cast iron in this roof and it seems to me it would be a very simple matter to take out the cast iron and put in a strong aluminum or other lightweight metal that would carry the load. We do not build airplanes out of cast iron. I believe the type of construction to which I referred could safely reenforce the roof and make it safe and yet retain the basic architecture of the Chamber as it is.

Mr. Chairman, we are only the temporary custodians of this Chamber. It belongs to posterity and should be preserved. We have over here on the other side the old Senate Chamber. It is regarded as such a holy of holies that they have a fence around it and we are not even permitted to go in and walk around. Yet we would change the architecture of this Chamber overnight.

My amendment will not interfere with the letting of this contract. They can go ahead and make the necessary repairs and do the remodeling of the House Chamber, but it will not be necessary to take out the skylights and change the basic architecture. It is very little consolation to think that the State seals overhead will be taken out and deposited in a certain place in your home State. We are spending a lot of money on other projects and I do not see any reason in the world why we cannot safeguard this historic Chamber and keep it so that generations to come may visit and see it in its historic state. There is no reason, in my opinion, why it should not be preserved.

Mr. Chairman, I hope that my amendment will be agreed to. As I stated, it will not interfere with the letting of the contracts that are proposed. Surely the Architect and the engineers can do this job, yet preserve the building as it is.

Mr. RABAUT. Mr. Chairman, I ask unanimous consent that all debate on this amendment close in 5 minutes.

Mr. DONDERO. Mr. Chairman, I object.

Mr. RABAUT. Mr. Chairman, I ask unanimous consent that all debate on this amendment close in 10 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. DONDERO. Mr. Chairman, I rise in support of the pending amendment.

Mr. Chairman, whenever I enter this Chamber I do not necessarily see the faces that are here now. All of us look back into history and we see and think of the great men and women who labored in this room for the preservation of free government on this earth. In these seats have sat and in these aisles have walked the great of America.

These walls and this roof have heard the debates of some of the greatest men this country ever produced. Their labors always have been for the preservation of America and her institutions. To change these walls and to change this roof would be destroying one of the greatest shrines of freedom on this earth. These walls are rich in the traditions of our country and to change them, to make them over or alter them, would destroy that richness of tradition and history it has represented throughout the years.

The amendment offered by the gentleman from Ohio ought to be adopted. The Architect, in my opinion, could well change the plans to conform with the object he has in mind, namely, preserving this Chamber, this rich, historic room, in its present form. Reference has been made to the fact we cannot hear each other, but that is perhaps due more to our own fault than to that of the acoustics of the room itself. Now that we have this public-address system anyone can hear who will listen, and there is no need nor necessity for changing or destroying one of the finest shrines and monuments to freedom in the world—the Chamber of the House of Representatives.

I hope that the amendment will be adopted.

Mr. CROOK. Mr. Chairman, will the gentleman yield?

Mr. DONDERO. I yield to the gentleman from Indiana.

Mr. CROOK. In this proposed amendment is it planned to leave this structural work intact?

Mr. DONDERO. No. The amendment offered by the gentleman from Ohio takes into consideration the removal of this steel. If they could build a cast-iron roof 90 years ago, and that is what is in this roof, they can build it with structural steel or aluminum to support it now.

Mr. CROOK. We, over in the great Hoosier Commonwealth of Indiana, do not like this steel construction, where we have to look through a tremendous amount of steel work to find the seal of the State of Indiana. I want to see those seals preserved, but I want to see them put down some place where the public can see them.

Mr. DONDERO. It can be done under the gentleman's amendment.

Mr. HUBER. Mr. Chairman, will the gentleman yield?

Mr. DONDERO. I yield to the gentleman from Ohio.

Mr. HUBER. Unless this amendment prevails, you will not see the seal of the great State of Indiana in the ceiling of this building, or the seal of any other State. They will be gone forever.

Mr. CROOK. Mr. Chairman, if the gentleman will yield, may I ask one more question? How many of these seals were here when this building was originally built?

Mr. DONDERO. We are admonished by scriptural authority to "remove not the ancient landmark which they fathers have set"—Proverbs 22: 28.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

The Chair recognizes the gentleman from Michigan [Mr. RABAUT].

Mr. RABAUT. Mr. Chairman, in the first place, in reply to the gentleman from Ohio, we would like to stay with the old quill pens, but present conditions require the use of many typewriters, and as far as my colleague is concerned, in his devotion to antiquity, why do we not take the Capitol back to Philadelphia?

I discovered yesterday and today a great many architects in the Congress of the United States. They are more informed on the needed improvements to this room than is the Fine Arts Commission and some of the most outstanding engineers of this country.

I have here the report of the Commission of Fine Arts, and I am going to ask, when we go back into the House, to insert it at this point in the RECORD.

THE COMMISSION OF FINE ARTS,
Washington, D. C., June 20, 1947.

Hon. DAVID LYNN,
Architect of the Capitol,
Washington, D. C.

DEAR MR. LYNN: The Commission of Fine Arts, at their meeting on June 19, 1947, were pleased to consider with you and with your associates the plans and the samples of materials of construction and embellishment necessary for improving the Chambers of the United States Senate and the House of Representatives.

The Commission unanimously approve the plans for these two Chambers, as well as the samples of the materials of construction and embellishment which were presented with the plans.

The Commission gave careful consideration to the suggestion that only those portions of the Chambers above the gallery floor be improved in the first construction contract, and that the lower parts of both Chambers be delayed at least until the construction of the upper portions are completed. While it is practicable to arrange to carry out such a program the Commission respectfully suggest that further consideration be given the reconstructing the two Chambers in a single operation. The inconvenience to the Members of the Congress would be minimized, the total cost would undoubtedly be less, and the completely reconstructed Chambers would present a unity of design which will not obtain in the case where the upper parts of the two Chambers are of one character and the lower parts of another. Of course, the approval of the plans by the Commission is predicated upon the ultimate carrying out of the entire approved plan for each Chamber.

The Commission are exceedingly well pleased with the results obtained by you and by your architects and we believe that the results of the remodeling of the two Chambers will provide meeting rooms for the Senate and for the House of Representatives in keeping with the importance of the deliberations of the legislative branches of the Government.

Please accept our congratulations upon the excellent results you have obtained. We appreciate your splendid cooperation.

For the Commission of Fine Arts:
Sincerely yours,
GILMORE D. CLARK, *Chairman.*

Furthermore, we have the report of the Committee on the Construction of the Roofs, and so forth. The report was issued by that sterling gentleman and former colleague of ours, beloved by

every Member of this House, the Honorable Fritz Lanham. What does it say in this report? Here is what it says:

The plans, as submitted, represent designs developed by Francis P. Sullivan, associate architect, and Harbeson, Hough, Livingston, and Larson, consultants, in collaboration. The designs have the approval of the Commission of Fine Arts and the Architect of the Capitol, and they are acceptable to the several consultants on air conditioning, lighting, and acoustics, and to the structural engineers. In their present form, they are the result of the combined efforts and ideas of all concerned with their preparation.

Mr. McGREGOR. Mr. Chairman, will the gentleman yield?

Mr. RABAUT. I yield to the gentleman from Ohio.

Mr. McGREGOR. I might say, as a Member of the committee which has been appointed to go over the plans and specifications for the remodeling of this Chamber, that if this amendment is accepted, it will mean a complete change of all the plans which will completely take us out of the coordinated efforts of the House and the Senate, so that we then cannot expedite the remodeling which this committee voted for last year.

Mr. RABAUT. The gentleman is absolutely right, and it is time that we entrust the affairs of this roof to men who have been educated in our institutions in architecture, in engineering, and in design, rather than to constitute ourselves as a group of professionals in the field of architecture.

Mr. HUBER. Mr. Chairman, will the gentleman yield?

Mr. RABAUT. I yield to the gentleman from Ohio.

Mr. HUBER. Has the gentleman ever known a contractor or an architect willing to cut down on the size of a job?

Mr. RABAUT. I am not suspicious of every man in his own business, but I should like to ask the gentleman, as well as the Members of Congress, is this a matter of your own personal opinion or does it go back to the people of this Nation? If so, why is it that we have built so many new State capitols and abandoned the old for the new? We are seeking here only to make a renovation of this hallowed room. So let us have no more talk about it. I ask for a vote, Mr. Chairman.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio [Mr. HUBER].

The question was taken; and on a division (demanded by Mr. HUBER) there were—ayes 72, noes 86.

Mr. HUBER. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. RABAUT and Mr. HUBER.

The Committee again divided, and the tellers reported that there were—ayes 83, noes 109.

So the amendment was rejected.

The Clerk read as follows:

For an additional amount for "Grants to States for unemployment compensation and employment service administration," $4,987,000.

Mr. RABAUT. Mr. Chairman, I offer an amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. RABAUT: On page 6, line 24, strike out "$4,987,000" and insert "$10,000,000."

Mr. RABAUT. Mr. Chairman, I yield to the gentleman from Missouri [Mr. CANNON].

Mr. CANNON. Mr. Chairman, the committee consents, reluctantly, to the introduction of this amendment. The Bureau of the Budget has received an estimate on the item but has not yet had time to process it. The committee itself has had its investigators working on the proposition for the last 2 or 3 days, but they have not yet had sufficient time to complete their investigation.

Enough is known, however, to indicate that there must be some increase in the amount of this appropriation. The amount provided in the last session is not sufficient to meet the needs of the agency.

Enough money is available to take care of the requirements for this quarter, and apparently we have funds available to take care of the situation until another deficiency bill can be brought to the floor.

However, in view of the vital nature of the proposition and in order to be absolutely certain about the matter, we propose at this time in this amendment an increase of $5,000,000, so as to leave no doubt about the matter.

Accordingly, the committee has authorized the gentleman from Michigan [Mr. RABAUT] to offer the amendment, and the amendment has the sanction of the committee.

Mr. WILSON of Indiana. Mr. Chairman, will the gentleman yield?

Mr. RABAUT. I yield.

Mr. WILSON of Indiana. Is it possible that this money may have been allocated to the States by quarters, in advance, and has already been spent, necessitating the closing of a lot of these offices and branch offices?

Mr. RABAUT. If the gentleman wants an explanation of it, here it is. In the Eightieth Congress their funds were cut $15,000,000. They had an increased load. Now they are feeling the pinch of the condition.

Mr. WILSON of Indiana. I was not asking necessarily for an explanation of it, but it is a fact that in Indiana there were 72 field offices of the United States Employment Service and they were all closed. We were able to get one of those offices reopened and kept open because the people had to travel about 80 miles. Perhaps a hundred people a week traveled 80 miles in order to sign up, and that created a hardship. So now we have 71 of the 72 offices in Indiana closed, and they say it is because they have already spent the money in the first half, which was necessary to carry through the whole year.

Mr. RABAUT. I may say to the gentleman that I was not here in the Eightieth Congress. The Eightieth Congress curtailed these funds to the point where it pinched the agency; so there is nothing to do except to recognize the condition in which they find themselves. They have money to continue; but they have not money to meet the program as it now faces them.

Mr. WILSON of Indiana. Then it is possible that the money for this quarter may have been allocated to the State and already spent; is that correct?

Mr. RABAUT. The agency administers these funds under the laws that have been enacted.

Mr. WILSON of Indiana. Then the gentleman cannot answer my question.

Mr. RABAUT. Not that part of it.

The CHAIRMAN. The time of the gentleman from Indiana has expired.

[Mr. KEEFE addressed the Committee. His remarks will appear hereafter in the Appendix.]

Mr. SADLAK. Mr. Chairman, I offer a substitute amendment.

The Clerk read as follows:

Substitute amendment offered by Mr. SADLAK: On page 6, line 24, after the word "administration", strike out "$4,987,000" and insert "$14,000,000."

Mr. SADLAK. Mr. Chairman, I am most grateful to the gentleman from Wisconsin [Mr. KEEFE] for his remarks, because he is so very familiar with this question. On yesterday I talked of the necessity for increasing this appropriation. I gave the total of unemployment claims in the State of Connecticut as being 49,822. I want to submit to the House at this time that the total unemployed in the State of Connecticut has again risen during the past week, and as of this last Saturday, after a telephone call to the Department of Labor this morning, it is now 52,451, an increase of some 2,629 in 1 week.

I want to stress this one point. To process the claims it requires the same procedure for partial or full claims for benefits. It requires the handling personnel which is lacking, especially in local field offices. The individual States operate the unemployment compensation and employment services, they collected for the United States Government during fiscal 1948 some $200,000,000. The States received in return for the administration of these services $130,000,000; in other words, the United States Government made a profit of $70,000,000, and there is no earmarking of these funds. As a matter of fact, remarks were made here on the floor yesterday about contemplated changes and improvements of this Chamber even to the extent of installing neon lights. I submit that the money which has been collected from the employers could even be used for such purposes to the detriment of the growing numbers of unemployed who need expeditious servicing of their claims for checks to which they are entitled and need now.

Mr. LODGE. Mr. Chairman, will the gentleman yield?

Mr. SADLAK. I yield to the gentleman from Connecticut.

Mr. LODGE. I should like to associate myself with the position taken by my friend and colleague, and commend him him for his amendment. It reflects the new necessities brought about by increasing unemployment not only in Connecticut but in the Nation at large.

Mr. SADLAK. I am most grateful to the gentleman for his support. In the district he represents, one of the largest affected cities in the State of Connecticut is the city of Bridgeport, and they have some 10,000 unemployed at this moment.

This matter is nonpartisan, and we want to give the States the tools to work with to do this job properly.

I refer you to the hearings on this particular point and to the statement made by Mr. Harry Kendall, chairman of the Employment Security Commission for North Carolina. He there stressed the fact that we have an obligation to return these funds to the States so that they can do the job for the people who are entitled to this service.

I am told that it is necessary to wait from 5 to 9 weeks for the initial check because of the backlog of these claims in these offices.

I urge you to vote for this amendment.

Mr. RANKIN. Mr. Chairman, will the gentleman yield?

Mr. SADLAK. I yield to the gentleman from Mississippi.

Mr. RANKIN. What did the gentleman say the number of unemployed in Connecticut is?

Mr. SADLAK. 52,451.

Mr. RANKIN. What is it normally?

Mr. SADLAK. Well, in mid-October 1948, I will say to the gentleman from Mississippi, it was 21,000.

Mr. JENSEN. Mr. Chairman, will the gentleman yield?

Mr. SADLAK. I yield to the gentleman from Iowa.

Mr. JENSEN. There are a lot of folks unemployed. Many of those folks are experienced in clerical and office work of every kind. Was any effort made to bring those folks into the offices to expedite the unemployment payments, or are they just standing in line and doing nothing?

Mr. SADLAK. I will say to the gentleman from Iowa that with the unforeseen change in employment or rather the loss of jobs and the consequent applications for unemployment claims, the States did not have sufficient funds to put on additional clerical help, and I say that we should have that additional help as soon as possible in order to properly audit these claims and process them in an endeavor to help the jobless who need the money.

Mr. JENSEN. There are all kinds of folks standing in line waiting for their checks, or to sign them, that would be only too happy, I am sure, to go in and work for the good of the cause without any compensation.

Mr. SADLAK. I assure the gentleman that such patriotism is worthy of praise, but it is conceded by both sides of the aisle that the Government now has some $70,000,000 in excess of the three-tenths of 1 percent that had been collected to be used for that purpose, and we ought to send back a larger amount of this money now for the proper administration of this service. With the large number of unemployed and more workers laid off each day as I have shown to you in my remarks yesterday and today and new claims to be made, the $14,000,000 of my amendment should be approved.

The CHAIRMAN. The time of the gentleman from Connecticut has expired.

(Mr. SADLAK asked and was given permission to revise and extend his remarks.)

(Mr. HUBER asked and was given permission to revise and extend his remarks.)

Mr. FOGARTY. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, far be it from me as a member of the subcommittee dealing with appropriations for this agency to try to take anything away from them, but I think the fairest consideration this agency has ever been given has been given it by the deficiency committee here this afternoon in allowing $10,000,000 instead of the $4,987,000 allowed by the Bureau of the Budget.

I think it would be well if we went back a year ago. The employment services and the unemployment compensation boards of this country requested the Bureau of the Budget for $160,000,000 to run this program in this fiscal year of 1949. The Bureau of the Budget cut the $160,000,000 to $145,000,000. That was the figure we had before us a year ago this time when we were considering the Budget for the fiscal year 1949.

The subcommittee on appropriations for Labor and Federal Security cut the Budget request of $145,000,000 to $123,000,000 a year ago. The bill went over to the Senate and they increased the $123,000,000 to $136,000,000. In conference we finally agreed on the sum of $130,000,000 to run this agency for the fiscal year 1949, which was $15,000,000 below the request of the Bureau of the Budget and $30,000,000 below the request of these agencies to the Bureau of the Budget for the fiscal year 1949.

As I recall now, the figures that were presented to the deficiency committee at this time, before they were approved by the Bureau of the Budget, were figures that were arrived at last October or November. They did not take into account the increase in the work load that has developed since the first of the year 1949. As a consequence the Bureau of the Budget cut that $14,000,000 down to $4,987,000.

A year ago we gave a great deal of consideration to the establishment of a contingency fund. I thought a year ago we were going to establish a contingency fund. I think the committee was at that time in full agreement that a contingency fund should be established. It had been represented to our committee that that fund would be established by allowing 10 percent of the grant made; in other words, if we had established a contingency fund a year ago of 10 percent of the the $130,000,000, it would have been $13,000,000, and we would not have any need for this deficiency at the present time.

I hope this year when we finally write up the appropriation bill and report it to the House in the early part of March the subcommittee can agree on the establishment of a contingency fund that would take into consideration some of the things that we, as a committee, cannot foresee a year ahead. I know it is very difficult to look ahead for 1 year or a year and a half and determine what the work load is going to be.

State legislatures at times raise the pay of their employees. That is something we cannot foretell or foresee. It is one of the things we are up against when we make appropriations of this kind. But I do believe that the fair solution is to stick to the $10,000,000 being allowed by the Deficiency Committee at this time and that will serve to accomplish the purposes that we are looking toward at the present time.

Mr. RANKIN. Mr. Chairman, will the gentleman yield?

Mr. FOGARTY. I yield.

Mr. RANKIN. Does the State of Rhode Island have the same percentage of unemployment as the gentleman from Connecticut says there is in his State?

Mr. FOGARTY. I did not hear the percentages, but I know that in the State of Rhode Island it is worse now than it has been in the last 10 years, that is, since 1939.

Mr. RANKIN. That is what I wanted to know.

Mr. KEEFE. Mr. Chairman, will the gentleman yield?

Mr. FOGARTY. I yield.

Mr. KEEFE. I am glad to note that the gentleman from Rhode Island has brought up this question of the contingency fund. I think it should be made crystal clear that the subcommittee last year was in unanimous agreement, including the gentleman who is now addressing you and who was then chairman of the subcommittee. But you will recall that we were not able to sell that to the other body. That is where the stumbling block was. Right now the subcommittee is considering the establishment of a contingency fund that can be utilized under authorizations from the Bureau of the Budget which will meet these variables found in the administration of these various grants in the States.

But may I ask the gentleman: He is satisfied, is he not, from the testimony that has been given by the administration itself, by Mr. Goodwin of the Employment Service and the people from the Bureau of Employment Security, plus the representatives of the interstate conference, which is composed of the State administrators, that this $10,000,000 will not do the job and that you will have to provide some money in another deficiency appropriation which will be coming along very shortly? The gentleman is satisfied as to that, is he not?

Mr. FOGARTY. I am not definitely decided on that.

Mr. KEEFE. Their story was this morning that they would need at least $20,000,000.

Mr. FOGARTY. But at the same time I am firmly convinced that the additional $5,000,000 which is being allowed by the Deficiency Appropriations Committee would be better than $10,000,000 in another deficiency bill which is to come later, because they need the money

and need it now to take care of some of the deficits that arise at the present time in practically every State of the Union.

Mr. SADLAK. Mr. Chairman, will the gentleman yield?

Mr. FOGARTY. I yield.

Mr. SADLAK. According to the gentleman's own statement then, he is unqualifiedly in favor of my amendment to allow $14,000,000.

Mr. FOGARTY. No, I am speaking in favor of the recommendation of the subcommittee, which is found in the bill, for the $10,000,000, because they have gone into that in the hearings. They have heard the Employment Service. They have heard the Interstate Conference people on this particular item in the bill and I think that they have more knowledge of what is needed at the present time than any of the other Members of the House.

Mr. RABAUT. Mr. Chairman, I ask unanimous consent that debate on this paragraph and all amendments thereto close in 15 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan [Mr. RABAUT]?

There was no objection.

Mr. WIGGLESWORTH. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I rise in support of the substitute amendment offered by the gentleman from Connecticut [Mr. SADLAK].

It has been apparent to me all along from the hearings on this bill that the amount carried in the bill is totally inadequate and I reserved specifically in committee the right to support an amendment of this character, should it be offered on the floor of the House.

I think the gentleman from Wisconsin [Mr. KEEFE], has given the fundamental reason for the difficulties by which we are confronted. I suspect there is another reason. I suspect that the formula for allocation by FSA to the several States of the lump sum appropriation made available to FSA by the Congress has been so inequitable as to penalize certain States while providing other States with an excess of staff. The formula has certainly been under fire for a year or more, and the record shows that nothing has been done to date by way of changing the formula.

Whatever the reason Mr. Chairman, it is perfectly apparent from the record that important States cannot function with the money now available, and that the amount carried in this bill is entirely insufficient.

Furthermore, Mr. Chairman, we are confronted by a serious problem arising from the flagrant abuse under this law, an abuse which can only be regulated properly if sufficient personnel is provided.

Some months ago, in October or November, the Interstate Conference of Employment Security Agencies met and determined that an additional $14,000,000 was essential to the proper functioning of these agencies—an increase of $14,000,000 was in fact recommended by FSA to the Bureau of Budget. So that all this substitute amendment asks for is the amount which the Social Security Administration itself actually submitted for approval to the Bureau of the Budget.

Since that time, as the gentleman from Wisconsin [Mr. KEEFE], has pointed out, there has been a steady increase in unemployment and a corresponding increase in the workload of this agency.

I have a letter from the director of the Division of Employment Security, a highly competent and conservative official, in which he states that the current workload is 43 percent higher as of January 26, than it was a year ago this time, and that he understands the increase in workload in some States runs as high as 200 percent.

Mr. HAND. Mr. Chairman, will the gentleman yield?

Mr. WIGGLESWORTH. I yield.

Mr. HAND. Prior to the work load being increased, in my State certain offices were being closed because of lack of funds. Is the gentleman satisfied that under the Sadlak amendment there will be sufficient funds, at least for the purpose of this appropriation, to take care of that situation?

Mr. WIGGLESWORTH. I am prepared to go along with the Sadlak amendment, in the light of the testimony of the organization to which I have referred; in the light of testimony embodied in letters which we have received from various governors of States, and in the light of the fact that whereas we were collecting about $200,000,000 from the States, we are only returning to the States about $130,000,000.

Mr. HAND. And this is the amount the States are asking?

Mr. WIGGLESWORTH. This is the amount which the over-all organization representing the State employment security agencies suggested several months ago as adequate, before the recent increase in work load.

In the interest of the unemployed, I urge the adoption of the Sadlak amendment. If that proves to be insufficient, further funds can be made available in the light of the two investigations to which I referred yesterday, one ordered by the Bureau of the Budget and the other ordered by the Appropriations Committee of the House.

Mr. KEEFE. Mr. Chairman, will the gentleman yield?

Mr. WIGGLESWORTH. I yield.

Mr. KEEFE. I think in this connection it should be made crystal clear that the 1950 budget estimate, which is now pending before the subcommittee for this very purpose, gave to this service the identical amount that the Eightieth Congress gave, plus the amount of the deficiency recommended in this bill. So that the amount that the Bureau of the Budget recommended for these two services for the fiscal year 1950 was in round figure $135,000,000. That is some indication of the lack of consideration that they have received from the Bureau of the Budget.

The CHAIRMAN. The time of the gentleman from Massachusetts [Mr. WIGGLESWORTH] has expired.

Mr. WILSON of Indiana. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, the Truman depression is on. That is obvious, and this is one of the first recognitions of that fact.

I did not intend to inject politics into this debate. I simply asked the gentleman from Michigan [Mr. RABAUT] a simple question about the allocation of funds to the States by quarters, because I found that Indiana was extremely short on funds at this time, and 71 or 72 field offices have been closed. Now I want to remind the gentleman from Michigan [Mr. RABAUT] and the Members of this House that when the estimate of funds was made in that Eightieth Congress we had the highest peacetime employment of any year in the history of this country. Also, under that Eightieth Congress labor had the greatest income of any peacetime year in the history of this country. Farmers had the greatest peacetime income under the Eightieth Congress of any Congress in the history of this country. Those may be the reasons why we did not anticipate the need for allocating a lot of funds to take care of the 3,000,000 unemployed people we have today. Had the Eighty-first Congress continued as a Republican Congress, had we elected a Republican President and thereby restored and renewed the confidence of the people in their form of government, private enterprise, the free enterprise system, we may not have had this unemployment today, and we would not have needed any additional funds.

We must take care of these unemployed. We must reopen these field offices so unemployed people do not have to travel 80 and 90 miles weekly to sign up for unemployment compensation and look for jobs. I am willing to vote for whatever funds are necessary; but I do charge the committee with the responsibility of seeing that whatever funds are made available are used for the purpose of helping the unemployed. I recall when we cut the amount of funds for the expenditure of the customs department by 20 percent, and the administration went out in the field and cut off 80 percent of the gagers in the field, the men who collect the revenue. Right in my own congressional district in the little town of Lawrenceburg, a town of 5,000 people, where the Federal Government collects more revenue than it collects in the entire city of Chicago, the Customs Bureau took off 80 percent of gagers in the distilleries there. We cut the appropriations for that purpose 20 percent; but they cut the men who collected the revenue in the field 80 percent and kept the office padded with surplus personnel as they have done ever since the Bureau has been in existence.

The purpose of course was to close the distilleries and thereby bring the wrath of thousands of workers down upon the heads of the Congressman. The workers were led to believe that Congress was closing the distilleries.

Mr. CANFIELD. Mr. Chairman, will the gentleman yield?

Mr. WILSON of Indiana. I yield.

Mr. CANFIELD. I am glad the gentleman has referred to the 1948 Treasury-Post Office appropriation and the funds therein for the Customs Service. The aftermath of that is this. When Customs came back for funds in 1949 they asked for $500,000 less than we gave them the prior year, proving our action was proper, and in the taxpayer's interest.

Mr. WILSON of Indiana. I thank the gentleman for his contribution.

(Mr. WILSON of Indiana asked and was given permission to revise and extend his remarks.)

Mr. RABAUT. Mr. Chairman, when I asked a few mintes ago that debate be closed in 15 minutes I had in mind that the Chairman would divide the time for debate evenly amongst those desiring to be heard, or that 5 minutes would be reserved for the Committee. I have since been informed that the gentleman from New Hampshire [Mr. COTTON], desires to speak to this amendment.

Mr. COTTON. I will take only one-half a minute.

Mr. RABAUT. I now ask unanimous consent that the gentleman from New Hampshire [Mr. COTTON], be allowed to speak for 5 minutes, and that I be allowed to speak following him for 5 minutes to close the debate.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The CHAIRMAN. The gentleman from New Hampshire [Mr. COTTON] is recognized for 5 minutes.

Mr. COTTON. Mr. Chairman, it is not our concern here today to determine who is to blame for the unemployment existing in the country. It is very much our concern to see that adequate measures are taken to provide promptly the compensation for those who are out of work.

I rise in support of the substitute amendment offered by the gentleman from Connecticut that $14,000,000 be included in this deficiency bill for aditional grants to States for unemployment compensation administration expenses. This is approximately the amount asked for by the bureau of employment security and was based on detailed reports from the States. The bill has reduced that amount to $5,000,000. The committee on the floor has now, in its own words, "reluctantly agreed to raise this amount to $10,000,000."

Mr. Chairman, I am amazed and appalled at the refusal of the committee to include at least $14,000,000 for this purpose. Last year we collected in this country over $1,000,000,000 from the employers of labor to provide unemployment compensation. The numbers of unemployed are greater than they have been in 10 years and still increasing. In my State the unemployment load for the last week of January was double what it was the last week of January 1948, and indications are that the load will increase. Men and women out of work are not getting their checks because the unemployment service has had to reduce personnel and cannot get them out promptly. The money has been collected from the employers of the country and indirectly from the wages of the workers. They are entitled to receive this help when it is needed.

The explanation given by the committee is that they thought $5,000,000 would take care of the matter until the next deficiency appropriation and that they feel that the proposed $10,000,000 is certain to do so. Some of us have been waiting anxiously for this deficiency bill to appear upon the floor. We have talked with members of the committee; we have telephoned the clerks of the committee. Our people back home have been crying for action. Six weeks have elapsed since Congress convened and at last the bill is on the floor. I am not criticizing the committee for this because we all realize the many details that have to be considered in a deficiency bill, but we all realize also that this is true of every deficiency bill and the next one is likely to be just as slow in reaching the floor.

Mr. Chairman, the most urgent need covered in this bill is this one for unemployment compensation administration. We cannot afford to run the risk of having the service run short of funds before the next bill. We are under an obligation to the States; we are under an obligation to the employers who have paid in the funds; and we are under a special obligation to the men and women who are out of work and who have been assured of this income.

Mr. Chairman, we are furnishing money to half the nations of the earth. We appropriated over $6,000,000,000 for that purpose in the last Congress and are preparing to appropriate 5 or 6 billion more in this one. We are appropriating money right in this bill for all kinds of projects, including an amount for a steam plant to generate power in connection with the Tennessee Valley Authority; power which will be paid for in part by the tax-payers of my State to furnish cheap power in the Tennessee Valley to lure industries from my State and the rest of New England, and cause even more unemployment, and yet we are refusing reasonable aid to our own unemployed.

I must say that I resent rather bitterly the situation in which I find myself. I have waited anxiously for this bill. I have begged and urged that it be brought upon this floor that the unemployed whom I represent could be provided with facilities to get their checks. When it finally is brought forth I find only a niggardly and inadequate amount for this purpose and then I find that in order to obtain even that amount I must vote for a project which I think is incompatible with our system of free enterprise and which I know will take the bread from the mouths of some of the workers in my State.

I hope that the substitute amendment of the gentleman from Connecticut will be adopted.

(Mr. COTTON asked and was given permission to revise and extend his remarks.)

The CHAIRMAN. The gentleman from Michigan [Mr. RABAUT] is recognized for 5 minutes to close the debate.

Mr. RABAUT. Mr. Chairman, the committee has in mind to do no wrong. The committee seeks to provide this money, $10,000,000 at this time for the Unemployment Service Administration. The committee is not closing the door to calls by this worthy agency for any future sums necessary. The committee is having its own investigators investigate the conditions in this agency at this time. Over and above that, the committee has called before it the budget Director asking why such a small amount was allowed at this time when the necessity appeared to be so great and when the cut in the last Congress was so drastic.

This increase in excess of $5,000,000 above the budget estimate is necessary at this time and as I said in the beginning the door is not closed to the Agency for additional funds, the need of which I feel will be further augmented as a result of the investigations now being made.

At this point by special permission I place in the RECORD the telegram from Gov. G. Mennen Williams, of the State of Michigan:

LANSING, MICH., *January 25, 1949.*

LOUIS RABAUT,

House Office Building, Washington, D. C.:

Deficiency appropriations for state unemployment compensation administration will come before your committee Wednesday. Michigan, and I believe every other State, has been forced to operate hundreds of thousands of dollars in the red due to inadequate original appropriations. Suggested deficiency of less than $5,000,000 is completely inadequate to meet money already spent by States. Full information may be obtained from the Bureau of Employment Security as to the inadequacy of the Budget Bureau's recommendation. You can do the State of Michigan a good service by getting all the facts before the committee.

G. MENNEN WILLIAMS,
Governor.

The committee has been informed that the Budget is having an investigation made.

It becomes apparent that we are trying to do the right thing by this agency. We are not looking into a crystal ball, as one gentleman said, misjudging the future by $15,000,000, and now grabbing the ball and saying that $14,000,000 is the necessary sum. No. That crystal ball was brighter in some folks' minds a year ago than it is today and it was looked into so many times, and so many times the erroneous answer came therefrom, according to the things we are learning now in the Eighty-first Congress, that I hope the committee will be followed in its decision for this sum.

The CHAIRMAN. The question is on the substitute amendment offered by the gentleman from Connecticut [Mr. SADLAK].

The question was taken; and on a division (demanded by Mr. SADLAK) there were—ayes 76, noes 97.

Mr. SADLAK. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. SADLAK and Mr. RABAUT.

The Committee again divided; and the tellers reported that there were—ayes 101, noes 132.

So the substitute amendment was rejected.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan [Mr. RABAUT].

The amendment was agreed to.

The Clerk read as follows:

TENNESSEE VALLEY AUTHORITY

For an additional amount for "Tennessee Valley Authority," $2,950,000, to remain available until expended; and the limitation under this head in title I of the Government Corporations Appropriation Act, 1949, on the amount available for capital expenditures, is increased from "$21,689,000" to $24,639,000": *Provided*, That the limitation under this head in title II of the Government Corporations Appropriation Act, 1949, on the amount available for administrative and general expenses of the Corporation, is increased from "$3,677,000" to "$3,988,000", and the limitation therein on the use for such purposes of funds appropriated by title I of said act is hereby repealed.

Mr. TABER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. TABER:

On page 7, line 20, strike out "$2,950,000" and insert "$450,000."

On page 7, line 24, strike out "$24,639,000" and insert "$22,139,000."

Strike out "and" at the end of line 4 on page 8, and the balance of the paragraph, and insert in lieu thereof the following: "*Provided*, That no part of the funds appropriated in this act shall be used for the construction of a steam power plant."

Mr. TABER. Mr. Chairman, the TVA at the present time has a capacity of 2,650,000 kilowatts per hour. It is selling 12,244,000,000 kilowatts a year. With what they already have coming in without this big plant, they will be able to sell 18,000,000,000 kilowatts a year, an increase of nearly 50 percent, and it is absolutely impossible that they can increase their consumption to that point in 3 years.

At the present time they have steam plants which they can use for firming power with a capacity of 448,000 kilowatts, and that is sufficient to take care of their peak. So much for the needs of the situation. There is no need.

They are not charging in the TVA enough to cover interest on the investment, payment of a reasonable amount back to the Government, and the equivalent of the taxes they should pay on the basis that private concerns pay.

A similar concern with an investment of $492,000,000 as compared with their $480,000,000 for electric power pays taxes totaling $23,000,000 and as set up here the tax payment is only $2,000,000. The depreciation that they should charge according to the provisions of our internal revenue laws would be about $1,500,000 and they charge off only $9,000,000. They pay no interest on the money that they get from the Federal Government. The total cost of TVA power investment according to their own story is $480,000,000 for the electric power set-up and they have passed a bill here providing that they should only pay back $392,000,000 which is nearly $100,000,000 less than the cost—and with no interest.

This whole thing means that you and I, your taxpayers and my taxpayers are paying for the subsidy that is being given to the people who use the TVA power. Many large corporations are there getting low rates. The figures show that they get 3,472,000 kilowatts or one-third of the total consumption. That is the commercial and industrial figure. Those rates are very low—3.16 mills. I am taking these figures directly from the report of the TVA Authority, which I have before me. It seems to me that it is absolutely unfair on any basis for us to appropriate this money to throw even more money into a socialistic attempt to destroy private business.

Mr. Chairman, I hope the amendment will be adopted.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. CHRISTOPHER. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I want to begin by praising the gentleman from Tennessee who stood up here yesterday and defended the building of this New Johnsonville steam plant for the TVA. I think he was representing the folks of his State and coming from the side of the aisle that he does leads me more and more to commend the stand that he took.

I hope this bill can pass without a crippling amendment. I think it is justified. I think it is necessary and meritorious.

I am amazed at some of the arguments that my colleagues on the left side of this aisle bring up every time a piece of forward-looking legislation is proposed on the floor of this Chamber. Of course, they are in opposition to anything that will make TVA better and that will make it work. I want to see TVA extended and coupled in with the White River project in Arkansas and Missouri; connected with the Grand River Dam in Oklahoma, and the Denison project in Texas, and carried on up through my State of Missouri by Southwestern Power Administration, so that Missouri, Kansas, Oklahoma, Arkansas, and Texas can have a chance to become the great inland industrial empire that they have every right to become.

What makes the argument against TVA and anything that will make it efficient so amusing is because it runs along the same old pattern. Those opposing TVA say it is communistic, socialistic, unconstitutional, and interferes with free enterprise and puts the Government in business in competition with private industry. That cry has been going up from the left-hand side of this aisle ever since Woodrow Wilson was President of these United States. It was said that production credit was all the things I have just mentioned and that it would result in the ruin and destruction of every bank in the rural areas. The exact opposite has been the result. Those banks today have more money on deposit than ever before in their history. They have a larger volume of loans than ever before. They have more customers, whose notes, are good at the teller's window than they ever have had before. A little healthy competition improved the services of the banks to the good of everybody, including the bankers themselves.

Before the day of the Federal land banks, mortgage loans were made on a 5-year basis. Out in my country a farmer paid 7-percent interest and 5-percent commission to secure a loan, and in 5 years the loan was due, and for an additional 2½ percent he might get a renewal for another 5 years. So if he borrowed a thousand dollars and kept it for 10 years, he paid out $775 in interest and commission, and still owed the full $1,000 principal.

The Federal land bank was declared unconstitutional, communistic, socialistic, and all these other "istics" that come from the left-hand side of the aisle whenever legislation of that kind is proposed in this House. That argument is so old that its whiskers drag on the floor of this Chamber every time they bring it out. I am tired of listening to it. So you see their prophesies of dire calamity have failed to materialize in the past, and their predictions have proved wrong so many times that I am sure they will prove untrue in the future.

Let us give TVA, REA, and Southwestern Power Administration a chance to develop. REA brought the blessings of electric lights and power to the American farm, and permitted the hardworking farm woman to throw away her old coal-oil lamp and the farmer to discard his old smoky lantern that only served to make the night a little darker, and allowed them to have the blessing not only of electric light but refrigeration, hot and cold running water, and motors for the milking machine and the washing machine. The job is only partly done. Let us give REA, TVA and Southwestern Power the tools with which to finish the job.

The CHAIRMAN. The time of the gentleman from Missouri [Mr. CHRISTOPHER] has expired.

Mr. CANNON. Mr. Chairman, I wonder if we can reach some agreement as to how much time will be required on this paragraph.

I ask unanimous consent, Mr. Chairman, that all debate on this paragraph, and all amendments thereto, close in not to exceed an hour and a half, the last 10 minutes to be reserved for the committee.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri [Mr. CANNON]?

There was no objection.

The CHAIRMAN. The gentleman from Mississippi [Mr. WHITTEN] is recognized for 3½ minutes.

Mr. WHITTEN. Mr. Chairman, and Members of the House, there are some facts in connection with this matter which I think are highly important, which I wish to call to your attention. I hope you will keep them in mind as we consider this matter for they correct certain arguments which have been presented by supporters of this amendment. This is not a question of public power versus private power in that the TVA is already in existence. We are in the public-power business through the national ownership of the TVA. This utility—and that is what it is—is the property of the United States of America; every dollar of its earnings belongs to the United States of America. Some opponents of the proper operation of this Government-owned plant will raise questions here, and I have heard them raised before, that the TVA does not pay interest on the investment the Federal Government has in it. I tell you the

TVA must do more than that. It is doing more than that. Under the law which this Congress passed, with my support, the TVA, in a 40-year period, must return to the Federal Government in cash, if you please, the entire cost of the power-producing facilities; and, listen to this: When it does that, in 40 years, when all the cost has been returned, the Tennessee Valley Authority and all its assets, still belongs to the Federal Government. We are in the power-producing business in the Tennessee Valley; in fact, through law, this is the only public utility in the area. Let me repeat: This utility, the TVA and all its earnings, belong to the Federal Government. At the end of the 40-year period at the rate funds are being withdrawn all that money invested in the power-producing features of the program will be repaid and we still will have the TVA. So do not fall for the fallacious argument that interest is not paid.

The Tennessee Valley Authority primarily produces its electric power from water. Electricity is produced from a series of dams which provide flood control, navigation, and electricity. A few of these dams were purchased, most of them were built with funds provided by Congress. When the private facilities in that area were purchased as provided by law the privately owned utility then operating in the Tennessee Valley was operating steam plants along with its water generating plants because it has always been recognized as the proper way to have available the maximum amount of firm, year-round electricity. These steam plants were purchased by the Federal Government along with the water generating facilities. The TVA Act itself provides for erecting steam plants. Since the Government started operating the TVA, an additional steam plant has been built and its productive capacity integrated in the system to help firm up the water power production.

You may ask, if they have steam plants, why build another? The answer is that since that steam plant was built, we have built a number of new dams, which have increased tremendously the waterpower production, the hydropower, and now there is simply inadequate steam production to carry through the lean months, or months of low water supply.

You may ask, if this is a hydro or water-power development, why have steam? There is a real answer, a real reason for the steam capacity. In the fall and winter there is much water in the reservoirs. This will generate great quantities of electrical energy as it goes through those dams. In the summer and dry seasons, however, the water becomes limited, the amount of electricity which can be produced through these dams falls off.

Rural electrification associations, municipalities and most other users must have dependable supplies of power—it must be available on a year-round basis. If it were not for steam power, the TVA would be limited in supplying such distributors to the electricity they could produce during the summer months. Much of the huge production during the water season would have to be sold to other users, whoever would be willing to take such electricity knowing it would be available for 5 or 6 months, knowing it would play out during the dry season. This would mean the sale of this Government-produced electricity at dump or low rates.

If we want to increase the availability of power for the public users such as the REA, the municipalities, we must firm up this power, produce steam-generated electrictity during the dry season in order to bring the low point up, for the low point of production fixes the limit of firm power that can be sold on a year-round basis.

My friend from New York complains that much of the power generated by the TVA is sold to large industrial companies. Too much of it is. Who else is going to buy electricity available only for a part of the year, unless it be the privately owned utilities?

The Tennessee Valley Authority and all its assets belong to the American people.

We all have an interest in its proper operation, with maximum benefit to the people, with the maximum return to the Government which owns it.

In the absence of steam to hold up the total production in the dry months, the high production during the water season is what might be termed an undependable source of power and they have to sell at low rates. But if you permit the TVA to firm up this power and make it available on a year-round basis, the TVA can sell at much higher rates, firm rates, because it is worth more. This is the organization, proponents of this amendment say, they want to return to the Treasury what has been put into it. I agree with them on that. If you want to further increase its value and success as a worth-while financial undertaking beyond the point of its worth today, permit the TVA to firm up its power during the dry seasons and thereby let them sell their power at firm rates. Do not cripple its operation by denying funds for steam generation in the lean months. To deny steam generation is to go counter to the policy of the privately owned utility which served the area before the advent of the TVA. To deprive the TVA of a proper proportion of steam is to force TVA to sell its surplus power at low rates to the big industrial companies, of which gentlemen on the other side of the aisle complain. There is one other outlet for the surplus winter power and that is sale to privately owned utility companies. If they can buy the extra power produced in the water season at dump or cheap rates, they could firm up such power, sell the combined power at firm rates and make a neat profit, some say, of millions of dollars.

If there is profit in taking the high-water season production and firming it up, and thereby selling the combined production at firm rates, do you not think that profit should go to us, the Federal Government, which has put nearly a half billion dollars in this project, not to mention the benefits of having additional firm electricity for the further expansion of REA lines in this time of national shortage of firm electrical power?

The CHAIRMAN. The time of the gentleman from Mississippi has expired.

Mr. DAVIS of Tennessee. Mr. Chairman, the gentleman is making a very important statement and I desire to yield my time to him.

The CHAIRMAN. The gentleman from Mississippi is recognized.

Mr. WHITTEN. Mr. Chairman, I thank my friend from Tennessee, who I know is vitally interested in this matter. That is the situation in a nutshell. As I said, when we bought TVA it was understood that they had to have steam plants for the purpose of firming up water power. The private utility formerly operating in the area had such steam plant for its small hydro or water-power system. Such necessity has been recognized in every water-power development for the generation of electricity throughout the history of this country. The TVA now operates stem plants. However, since we have had the TVA, we have built new dams.

In the last 4 or 5 years through the action of this Congress and we have added five or six new dams which produce hydroelectric power. We have produced more and more electricity by that means and now the steam power capacity for the dry or lean period is lagging behind. The actual production of electricity in 5 or 6 months of the year is away beyond what it is during the remainder of the year.

If we want the TVA to properly operate and to be the best possible investment on the part of the Government, we need to provide funds for the construction of this steam plant to firm up this current so it can be sold on a year-round basis to municipalities, to REA cooperatives and to the other power users which is required in the basic law and which I wish them to do.

If, on the other hand, you want to take the development that we have developed in the Tennessee Valley at a public expenditure of more than $400,000,000, if you want to take the benefits of that expenditure of Government funds and turn them over to the big industrial companies or private utilities, for that matter, who will buy at dump rates, firm up such power with their steam plants and sell the whole at firm rates and make the profit, you prohibit the TVA from firming up its hydropower by steam and you will do just that.

I believe the Membership of this House will take no such ill-advised action. You will want maximum service to the people, maximum return on the Government's investment and I firmly believe that can be attained only by maintaining the proper proportion of steam power to go with the hydro or water power we have provided in the construction of these new dams.

You may say the privately owned power companies could firm up this power for the TVA. I asked that question of them and no offers have been received. They are all having trouble meeting their own needs. No. The

power companies say, "We would buy the surplus from the TVA." Of course, they would buy it at bulk rates, cheap rates, forced rates, because in the absence of firming up, the TVA would be forced to sell extra hydro power to such takers as they can find. Some have said this possibility explains the many telegrams which Members of the House have received the last few days opposing this plant. As to that, I cannot say. I am sure that many of the senders have not understood just what issue is involved here and if they did, I believe they, too, would be for the proper operation of this public utility with maximum service to the people of seven States and with maximum returns to the Government.

The senders of many of these telegrams apparently do not understand and many Members here do not seem to realize that to prevent the construction of the steam plant would mean we would not fully utilize the millions and millions of dollars that this Congress put into the development of a great facility which provides all of the electricity for a great part of the people of seven States.

I do not happen to live in the Tennessee Valley. However, I have been a member of the Subcommittee on Appropriations for the last 4 years, which handles the TVA, and the need for providing this steam plant is so clear in my own mind that I wish I could convince you and point out to you that what this amendment offered by the gentleman from New York would mean is that, after we have already put this money into the TVA, we are not willing to let them run it in a proper way to render the maximum service and to make the greatest return to the Government on its investment, and, again, may I remind you, the minute TVA pays out, returns to the Government every dollar we have put in it, as it will, under the law, the TVA will still belong to the United States of America. So, at the end of 40 years the Government will have an amount of dividends equal to the original cost; in addition to that we will have a going concern, a property worth millions, which will bring in substantial returns in a financial way as well as render a fine service to the people of future generations.

The CHAIRMAN. The time of the gentleman from Mississippi has expired.

Mr. JONES of Alabama. Mr. Chairman, I would like to yield to the gentleman from Mississippi the time reserved to me in order that he may continue.

Mr. WIGGLESWORTH. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. WIGGLESWORTH. I have always understood that it was not the practice of this House to permit one gentleman to yield his time to another in a situation of this kind.

The CHAIRMAN. If there is no objection, it certainly can be done.

Mr. JONES of Alabama. Mr. Chairman, I ask unanimous consent that the time allotted to be be yielded to the gentleman from Mississippi.

Mr. WIGGLESWORTH. Mr. Chairman, reserving the right to object, and I do not like to object, but obviously if 15 men stand up on one side of the aisle and all yield to one man——

The CHAIRMAN. Permit the Chair to state that the gentleman from Alabama is named on the list. He is entitled to his time.

Mr. WIGGLESWORTH. I understand that.

The CHAIRMAN. He is asking unanimous consent that his time be yielded to the gentleman from Mississippi.

Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. WHITTEN. I deeply appreciate the action of the gentleman from Alabama, who has worked untiringly with members of my committee and whose interest in and knowledge of this subject and problem is great. During this time which has been granted me, I would like to discuss certain provisions of the TVA Act which make steam generation more necessary than would normally be the case.

The Tennessee Valley Authority must generate its hydroelectricity between two water levels. The TVA must first provide flood control, and, secondly, under the basic act the TVA must operate its dams so as to provide navigation, and between those two requirements it must produce electricity. In the absence of these requirements of the law you might say, why not fill all the reservoirs in the wintertime with their 18 or 20 dams, hold all of such water, and let it out gradually so that it will last the year round or until the next rainy season. If it were not for the law itself, from a power-producing angle, that might possibly be done. However, in order to take care of flood control, the primary requirement under the law, when those reservoirs get sufficiently full, the TVA must let the water out so that they will be sufficiently empty to take care of the floods that may occur. On the other hand, you might say, in the summertime why not let all the water out, down to the absolute bottom of the stream, perhaps, and thereby meet their needs of this firming up of power? As heretofore pointed out, under the basic act the TVA cannot do that. Under such law, when the water reaches a certain low level the dams must be closed, for sufficient water must be retained to provide for navigation.

So the TVA is caught, and rightly so, in this multiple-purpose system, of having to produce power while keeping the water low enough to take care of flood-control needs and keeping the water high enough to protect navigation. Hydropower production is "Mr. In Between."

It means that in the wintertime when reservoirs would fill with water, they have to let it out to keep storage space available for flood control, and as they let this water out they must generate electricity, or the chance to develop electricity from that water is gone forever. Electricity so produced is for sale, but who is going to buy electricity which will be available only during the time the water is high and they are letting it out?

As I have said, there are two groups that might buy it. One is the big industrial company down there in the area who may buy it at that time, and figure on firming it up themselves by providing steam during the summertime, and the other is the big utility companies who might buy at these cheap dump rates, and firm it up and pass it on to the ultimate consumer on a firm rate, a high rate as compared to the dump rate at which they would purchase.

But there is another way for the matter to be handled and that is what we are trying to do in this bill. That other way is to let the Tennessee Valley Authority generate more steam power, and I say more, because they already are generating steam power, let them generate more steam power in the dry months so that this hydro power of the high-water months is available to the people of the area on a year-round basis, so that the TVA can extend this service to more and more REA cooperatives and to more and more municipalities, firm power, dependable and valuable. If we defeat this amendment, and provide this steam plant, it means a net income to the Federal Government, the Federal Government that, my friends on the left say, they want to protect. To firm it up as provided under the original act here through an additional steam plant to go along with the five or six new hydro dams we have built, will mean an income of millions of dollars to the Federal Government, sole owner of the TVA and all its assets, including its profits. Vote down the amendment of the gentleman from New York. Thereby we will help to insure the maximum financial returns to the Federal Government by providing for the proper operation of the Government-owned TVA. We have financed the construction of many dams which provide a huge amount of power for much of the year; let us provide additional steam facilities to carry through the dry months, that the maximum firm, dependable power will be available to the REA, to the municipalities of the area, on a year-round basis.

The CHAIRMAN. The Chair recognizes the gentleman from Pennsylvania [Mr. FENTON].

(Mr. FENTON asked and was given permission to revise and extend his remarks.)

Mr. FENTON. Mr. Chairman, I rise in support of this amendment to eliminate the item for construction of a steam plant at New Johnsonville, Tenn.

As I read the hearings I could discern the same persistence of the public power-minded people to insist in their will to drive private industry into the position of capitulation.

If they cannot achieve their objective in a direct manner, they do it indirectly.

Talk about monopolies. These people have gone so far that they will not permit any community who now uses their power to build a steam plant, should they wish to do so. And, not being content with staying within their own boundary they are extending their tentacles into other areas.

Their attempt to justify this steam plant—as indicated in the hearings—is indeed the same pattern which is so clear to many of us who listen to the public power-minded people. They just pound and hammer away at private industry until they so weaken it that there is very little resistance left, if any, in some parts of the country.

I stated last year that the electric power people in my district were building their own power plants. They do not ask our Government for a hand-out. In fact, they are now expanding their property to the amount of $115,000,000. Of course, that is because we are not handcuffed by any TVA, or similar set-ups. We still retain the rights of free people and we want to continue to be free.

But, under the guise of flood control and navigation the taxpayers of the United States are now asked to pay the power bills of certain sections of the country. It reminds me of a case of paralysis agitans—creeping paralysis. If this thing is not curbed it will slowly and surely paralyze private incentive.

This appropriation to begin construction of a TVA steam plant at New Johnsonville is another step to State socialism.

The Tennessee Valley Authority was originally authorized for the purpose of harnessing the Tennessee River and its main tributaries to promote navigation and control floods. But instead, we see these tax-exempt or Government-owned enterprises in one area resulting in a greater tax burden on the taxpayers in the rest of the country and which will eventually strangulate free enterprise.

Such a steam plant as proposed for New Johnsonville would place the Government outright into a commercial business, opening the way for nationalizing of that business and thus creating a precedent for nationalization of other business.

The Government would be assuming a responsibility that does not properly belong to it by undertaking to supply all the electricity the TVA region may require, without limit, for all future time, thus saddling the taxpayers of the Nation with increased and continued expense for the benefit of a favored area.

Additional Government - subsidized cheap power in the Tennessee Valley can only hinder the efforts of other States to attract new industries and encourage the expansion of industries already there.

Steam-generating plants operated by the Government are alien to the original concept of TVA as a flood control and navigation project, and will create additional Government competition for our privately operated electric utility companies.

Such projects as the proposed New Johnsonville steam plant is a definite step toward nationalization of industry, and is setting the stage for a gradual or piecemeal transition from our competitive economy to a Socialist state.

There can be no warrant for additional appropriations for a Government project which will mean further competition with private business. A measure of justification might be found in some areas where electric generation is the by-product of flood control or navigation. But when these bounds are exceeded and public funds used to create a steam plant for electric generation, then the sinister figure of Government competition with public business appears.

One is astounded by the figures which show how this competitor with private business is growing and expanding. The Government is contending for business with privately owned concerns. The time has come again for American citizens to ask themselves if they want this trend to continue.

Are industry and all the other institutions which in private hands made this a great country to become nationalized? Do we follow the steps of England, trembling and limited as they are, or shall the United States go the whole way and wrap the blanket of socialism around it and enslave itself to a philosophy which is so alien to our American way of life?

Now is the time to answer the question of Government competition with free American enterprise by stopping in its tracks this movement or any other movement to expand already overexpanded Government competition with private business and industry.

I ask that the appropriation requested for this steam plant be rejected in such a decisive manner that no further attempts will be made by those who try by every means at their command to force upon us another step to state socialism by putting our Government in competition with the American system of free enterprise.

The CHAIRMAN. The Chair recognizes the gentleman from New York [Mr. EDWIN ARTHUR HALL].

Mr. EDWIN ARTHUR HALL. Mr. Chairman, I am going to speak on this amendment because I believe we ought to go through with it and it ought to be passed. I want to serve notice that I am going to vote against other projects elsewhere until I can get satisfaction for my territory. One of the Members said that the TVA would help in flood control. They cannot do a thing for us up on the Susquehanna River. At least they have not tried to and nobody else has tried to. They talk about log-rolling. I have seen a great deal of it in the last 10 years that I have been in the House. The shoe is always on the other foot, whenever our area wants anything. The only thing they ever do to us in upstate New York is to roll us, but they never give us any logs. I think it is time that we had some flood control on the Susquehanna River.

Mr. RANKIN. Mr. Chairman, will the gentleman yield?

Mr. EDWIN ARTHUR HALL. I yield to the gentleman from Mississippi [Mr. RANKIN], because he has a lot of levees of his own down there.

Mr. RANKIN. I will say to the gentleman from New York that I have been a constant supporter of the St. Lawrence project to develop 12,000,000,000 kilowatt hours of electricity which is going to waste, and thus relieve his people of high power rates.

Mr. EDWIN ARTHUR HALL. The gentleman is getting far afield when he gets into the St. Lawrence project. I remember he did that a couple of years ago when I took the floor. That does not have a thing to do with what I am talking about, which is flood control on the Susquehanna River.

Last year we were just about wiped out. Many of the 20,000 Endicott-Johnson shoe workers were left homeless. It took out the power plant in the city of Endicott. It was one of the most devastating floods in history. It took out many of the homes of the workers of the International Business Machines Co. in Vestal and in Endicott. It went on to prove that flood walls are necessary for the protection of that section of the Susquehanna River. I think it is time the House gave us some money for flood control up there, where we so sorely need it.

We are getting ready for our annual flood. I predict we will have an annual flood, because we have always had it, and the same answer has always been given us by Washington, "We are not giving you a penny for flood control up there." I say it is about time that we had it.

I propose to erect flood walls in the Endicott, Vestal, and Johnson City areas to protect some of the largest manufacturing plants in the entire country; plants that are engaged in turning out shoes for the military; shoes for the civilian population; some of the finest shoes that are made. They cannot function if the Susquehanna River is going to wipe out the homes and the cities of Endicott, Vestal, and Johnson City every year. It is time we were given some protection.

Mr. JONES of Alabama. Mr. Chairman, will the gentleman yield?

Mr. EDWIN ARTHUR HALL. I yield.

Mr. JONES of Alabama. The gentleman is expressing the same ambition that we in the valley are expressing and I cannot see how the gentleman can oppose the amendment.

Mr. EDWIN ARTHUR HALL. But you are getting the fruits of it and we up there are out in the cold, as we always have been. You cannot help us a bit except to vote for an appropriation for these flood walls that I am interested in. I would like to see the House appropriate the money so that we can have the flood walls to keep the Susquehanna River from overflowing its banks every year.

Mr. JONES of Alabama. The gentleman got the fruits of TVA during the war when half the aluminum in the country was manufactured in that district.

Mr. EDWIN ARTHUR HALL. Not in my district. The trouble is the geography is limited to your part of the country, and we get nothing up where we are.

Mr. RANKIN. Mr. Chairman, will the gentleman yield?

Mr. EDWIN ARTHUR HALL. I yield.

Mr. RANKIN. Does the gentelman have a bill in for an appropriation for flood control on the Susquehanna?

Mr. EDWIN ARTHUR HALL. I certainly have.

Mr. RANKIN. This is the first time I ever heard of it.

Mr. EDWIN ARTHUR HALL. That is not my fault. The gentleman is too busy with other subjects. If the gentleman

will read the RECORD he would have seen it.

Mr. RANKIN. Well, I cannot read the RECORD all the time, but I am willing to help the gentleman.

Mr. EDWIN ARTHUR HALL. The gentleman does a pretty good job of keeping track of things from what I have seen.

Mr. RANKIN. But this is not the way for him to get results.

Mr. EDWIN ARTHUR HALL. If the gentleman can think of a better way, I would like to hear it. Nevertheless, flood control is definitely a part of this program, and I would like to see it brought in for my section.

Mr. PICKETT. Mr. Chairman, will the gentleman yield?

Mr. EDWIN ARTHUR HALL. I yield.

Mr. PICKETT. Has there been an authorization for a flood-control project on the Susquehanna?

Mr. EDWIN ARTHUR HALL. We are waiting for a report. We have waited a year, which is far too long to have to wait, and we are about to undergo another disastrous flood before anything comes of it. We had better get busy before we have another deluge in my territory.

The CHAIRMAN. The time of the gentleman from New York [Mr. EDWIN ARTHUR HALL] has expired.

[Mr. JENNINGS addressed the Committee. His remarks will appear hereafter in the Appendix.]

The CHAIRMAN. The Chair recognizes the gentleman from Iowa [Mr. JENSEN].

Mr. JENSEN. Mr. Chairman, for a fellow like myself, who has never been complimented for his oratorical ability, to follow my good friend, and a great American, the gentleman from Tennessee [Mr. JENNINGS], schooled in art of oratory, is quite a handicap I will admit. Even though the gentleman from Tennessee [Mr. JENNINGS], does not agree with the gentleman from New York [Mr. TABER], and some of the rest of us on this particular issue, without a doubt the next time he speaks on the floor he will tear the hide off of the spending, wasting outfit in power, from the President right down the line. So I take this with a grain of salt. I know he is fighting for his people. But knowing what is deep down in his heart, and knowing what a great American he is, I know he would not knowingly do anything that would eventually destroy America.

Let us look at this picture for a moment. In TVA we have an area of our Nation which has been set aside as a separate and distinct empire within the great United States of America. It is run and controlled and dictated over by three men, and anyone who gets in their way can get in serious trouble.

Now, I shall not present a bill in Congress to abolish TVA, but I would like to go along with this Congress to build a wall around that empire within our empire so high and so strong that that kind of dictatorship as you have in the Tennessee Valley will not spread to any other section of America, because it is so un-American that any schoolboy knows if it is allowed to spread to the other 10 river valleys of this Nation, then 33 men can control the Nation, because he who controls the electric energy of America in this electrical age controls America. I do not want to see anybody, either private utilities or any 33 men control America.

The main pressure back of this steam plant is the cities in the Tennessee Valley that want to get cheap power: Memphis, Knoxville, and Chattanooga. I could go on and name a lot more of them. Yes; we built a steam plant down in the TVA area in 1940 for military purposes. You can read the RECORD and see that is what it was for. If TVA is entitled to this steam plant for the benefit of the towns in that area then most every community in America is entitled to a steam plant built with taxpayers dollars.

The CHAIRMAN. The time of the gentleman from Iowa has expired.

(Mr. JENSEN asked and was given permission to revise and extend his remarks.)

[Mr. RANKIN addressed the Committee. His remarks will appear hereafter in the Appendix.]

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. JOHNSON].

Mr. JOHNSON. Mr. Chairman, I am very sorry that this debate started on a partisan angle. This is not a partisan problem. The differences of opinion go down the middle of both parties. We have men on both sides of the aisle who are very enthusiastic over public power development, and others who are violently opposed to it. This is not a Republican nor a Democrat problem; it is a national problem. Both parties in their platforms have endorsed public power. I point out that one of the authors of the bill creating the TVA was Senator Norris, a Republican. The other was our colleague John Rankin, a Democrat. Senator Hiram Johnson and Phil Swing, a former distinguished Member of the House, fought for 10 years for the Hoover Dam, which is one of the largest public power projects in the country. They were Republicans.

Let me point out one of the things that I think is important to remember in connection with the development of public power. In the first place, many of these great projects like the TVA, the Hoover Dam, Grand Coulee, and the Central Valley water project of California, would never have been developed by private enterprise. We had to have the public, who can afford to gamble on the outcome of the projects, finance and build these types of projects. It is not that they are not sound in the long run. They will all pay out, and pay big dividends in money and greater dividends in benefits to the people that benefit by them, but over the span of a few years perhaps the income would be insufficient to pay the bonds and the dividends on the bonds, that private capital would be required to float to finance such projects. For that reason, we had to get these projects through governmental channels and with Government funds if the projects were to be developed to meet the needs of an expanding economy.

May I point out also that these developments, in my humble judgment, are not socialistic. For instance, the Central Valley project of California was really started on its way by a great banker, Rudolph Spreckels, a very successful banker. In 1916 he got behind what was known as the water power bill in California, which provided in general for the conservation of the waters of that great valley. I heard him after he had lost the battle, make the statement, "I believe in capitalism; but I do think that sometimes the people that are in control of capitalistic wealth overreach themselves."

I also believe that these great natural resources, such as we have in California, are our greatest assets in which the people have perpetual values, and they, therefore, must be developed in the public interest by public agencies. I also want to make the point that the problem being considered here is not confined to the waters of the Tennessee. We have the identical problem in California. You have it in other parts of the Union. To firm the power by a steam plant is common practice in the electrical business. Every private utility that is successful does that very thing. It only makes the investment of the National Government more efficient by enabling these projects to sell a larger proportion of their power. The investment in this steam plant, which will ultimately be much larger, will bring back every dollar plus interest that is invested in it. That is why I think this amendment should be defeated.

We have heard this charge of socialism time and again in this discussion. Remember, that is a relative term. The world, and especially our country, is not static. We are changing from day to day, and some of the things that were thought to be socialistic 10 years ago are accepted today. Just think—over 95 percent of the cities of America, and every large city of America, owns its own water system. Hundreds of them own electrical distributing systems. In my own State we have 116 irrigation systems. Every one of them was established by a group of ranchers joined together in a semipublic body called an irrigation district to get water for their farms and ranches. Many of them have a by-product of electricity. You might say that that is socialism, but that is not interfering with the private-enterprise system of America, and neither will this project. These great projects, such as TVA, are developing and building mighty economic empires that private enterprise could not build up in centuries. In my State of California we are going to have a population of 30,000,000 people in the next 25 years. Why? Because Federal and State funds are going into the development of our water resources in California which will justify a population of twenty-five or thirty million people. All these empires being developed in the various river basins can only be successful if they are developed and started through the immediate provision of public funds. That is why I am in favor of this appropriation and am against the amendment to eliminate the item for a stand-by steam plant.

(Mr. JOHNSON asked and was given permission to revise and extend his remarks.)

The CHAIRMAN. The Chair recognizes the gentleman from Tennessee [Mr. EVINS].

Mr. EVINS. Mr. Chairman, I desire to commend those of my colleagues who have spoken heretofore in behalf of the pending deficiency appropriation measure to provide funds for the beginning of construction of a steam plant to be built and operated by the Tennessee Valley Authority. I want to join with those supporters of TVA in urging the adoption of the pending appropriation to assure that this much-needed facility for the people of the Tennessee Valley be provided. Vote down the Tabor amendment to kill this appropriation.

As the Members who were in the Congress during the previous session will recall, Congress failed to provide the funds necessary for the construction of a steam plant at New Johnsonville, Tenn., during the Eightieth Congress. Construction of this plant at that time was called vital to the extension of power from the Tennessee Valley Authority for industrial and farm uses and for purposes of national defense.

The modest sum that was asked for this construction was denied by less than 20 votes in this body. When the matter was brought before the Senate it was approved by a decisive vote, not once, but on two different occasions.

The question is before this body again today. The people of the Tennessee Valley region in the meantime have been deprived of needed electric power for their farms and industries and national defense needs have been ignored in this instance.

Mr. Chairman, I doubt if any legislation ever brought before this body has been the subject of more false propaganda, more misleading information, and more half-truths made in opposition to it than this legislation which we are now considering.

Only yesterday a distinguished former chairman of the House Appropriations Committee made the statement that three or four industries, including the Aluminum Corp. of America and the Monsanto Chemical Corp., had moved from the North and East into Tennessee and the TVA region.

These plants, Mr. Chairman, did not move from the North or East or anywhere. They have been there in the Tennessee area for many, many years. Testimony before the Appropriations Committee on this subject failed to disclose that a single industry has transplanted its plant and facilities from the North or East into the TVA area. The testimony did show it to be the truth that some few branch plants located there and that there has been a normal and progressive industrial growth in the area. I want to get the truth and the facts in this matter straight.

The gentleman went on to state that the people of New York were paying the light bill for the people of the Tennessee Valley. This is not a true statement of fact.

Another speaker in opposition to this appropriation stated that TVA had no constitutional or legal authority for its operations. In support of his statement he has gone back into ancient history and tried to dig up some old arguments which were used to oppose this agency of the Government in the very beginning.

Mr. Chairman, the constitutionality and legality of the Tennessee Valley Authority and its operations has long been established by the decisions of our courts.

This same gentleman went further to state that it was never intended that the Government should engage in the power business. I should like to ask this gentleman and others who hold this view what they thought was intended when the Federal Government bought and purchased in its entirety all the private power companies in the area of the TVA. The sale of private power companies to the Government was negotiated by the late Wendell Willkie.

When the Government bought out the property of the Tennessee Power Co. and the Commonwealth and Southern it thereby was going into the power generating and distribution business and thereby forming a Government power monopoly in that area. By what argument can it thus be advanced that the Government never intended to go into the power business when the Government, by its private power purchases, became the sole source of electric power for the people in the Tennessee Valley?

In these transactions, the private-power interests received the sum of $125,000,000 for their entire operations within the area. Of this amount the Government, through TVA, paid $59,263,122 and the various municipalities and distributors paid the remaining sum. The one single largest transaction being the outright purchase of the holdings of the Tennessee Power Co. and Commonwealth and Southern for the sum total of $44,949,400.

As indicated the total amount received by the former private-power owners was $125,000,000 from both TVA and distributors. Could it thus be said that it was never intended for the Government to go into the power business after this transaction?

It was further stated on the floor yesterday that the Government is subsidizing the power consumers in the Tennessee Valley. The truth of the matter is that the TVA pays into the Federal Treasury each year large sums of money from its operations. Payments are made in the form of interest on bonds and the retirement of bonds and other receipts in addition to the sale of power.

Section 26 of the TVA Act provided for annual payments to be made to the Treasury from the sale of power. Section 26 payments alone brought into the United States Treasury in 1945 the amount of $7,087,741. In 1946, this amounted to $7,971,278 and in 1947 the amount was $8,000,000, making a total of $23,059,019 in the past 3 years accounted for. I desire to submit these figures for the consideration of fair-minded and unprejudiced Members of Congress in this connection.

All that is being asked in the pending bill is the modest appropriation of $2,500,000.

Mr. Chairman, as you know, the Democratic Party and, for that matter, both political parties have public-power planks in their national platforms and each party has gone on record as advocating the development and expansion of our natural resources in the interest of all the people. The Democratic Party in national convention last year adopted specific recommendations for the continued development of the Tennessee Valley Authority and the President in his budget request to this Congress asked for the authorization and appropriation of funds sufficient for the start of construction of this steam plant under the TVA.

This plant is badly needed, Mr. Chairman, to help relieve the power shortage and to meet the rising demand for electricity which has been a natural result of the general economic growth of Tennessee and the South. The sum asked for this expansion work is not large, but the benefits which will be derived therefrom are great—great for our people and also for the prosperity of the people of the entire Nation.

Let me give you some other facts and figures with respect to this great facility in the Tennessee Valley. The Federal Government, Mr. Chairman, has an investment of more than $350,000,000 in generating and transmission facilities alone in the Tennessee Valley. These TVA properties and operations are owned by all the people of the United States. The people of the Tennessee Valley—7,000,000 of them of whom 750,000 are users and consumers of electric power within this area—reside in seven States, Virginia, Kentucky, Tennessee, North Carolina, Georgia, Mississippi, and Alabama. This is an area of more than 80,000 square miles.

There is a definite concern, Mr. Chairman, on the part of the people of the area that the senior partner in this vast operation—that is, the Federal Government acting through the Congress—may not make sufficient appropriations to insure consumers an adequate supply of power. This is a partnership, Mr. Chairman, between the people and their Government. At the beginning of this great project—a project which would never have been made possible had the Members of Congress in general adopted a dog-in-the-manger attitude—the Federal Government through the Authority bought out the private power interests serving the region. In so doing the Government thereby became the sole supplier of power in this large region. It thereby also morally obligated itself to supply power for the people of the Tennessee Valley in quantities to meet their needs, both present and future. The Government should not go back on its contract with the people in this instance.

In the TVA the Federal Government—all of the people of America—have a sound investment. Figures prove this to

be true. Therefore, from an economic and strictly business point of view this mutually satisfactory arrangement should be continued. From the standpoint of service to the people and the prosperity of the Nation the Congress should not take any action which would, in effect, say, "This much progress you shall make and no more; thus far you can go and no farther." The Federal Government should not put a ceiling on power production nor freeze the amount of power which may be produced when electric power is so critically needed for our domestic progress and national defense.

Secretary of the Interior, Mr. Krug, recently testified before one of the committees of this body on needs for additional power to carry out the national defense requirements of our country.

Mr. Chairman, it is a matter of common knowledge that a power shortage exists in America today. Although some people want to debate this fact, everyone—even the most ardent advocates of private power—agrees that there is no great surplus or excess of power and they also agree that there is an increased consumer demand and a growing need for additional power for industrial and national defense purposes. All over the Nation power demand is pressing hard upon supply. This growing demand is a testimonial to progress. It is evidence of a growing regional and national strength. It should be hailed as a triumph of democratic achievement.

Mr. Chairman, I desire not only to urge approval of this much-needed appropriation, but also to protest the misleading information and false propaganda concerning the TVA which has pervaded this body like a London fog. Whenever any matter pertaining to the TVA has arisen in the past, this propaganda fog has gathered instantly out of a clear sky to obscure the facts and the truth. Today the smoke screen is denser than ever, and it has the undeniable odor of the private power interests.

From statements which have been made on this floor, Mr. Chairman, it seems one is being asked to believe that the fine and estimable people of the North and East are benevolently paying the light and power bills to save the people of the South from darkness. Need I say that such is not the case.

We have also been asked to believe that because of the alleged abundance of cheap power industries in the North and East are making a mass exodus into the area of the TVA. Mr. Chairman, I not only deny emphatically that this is the truth, but I shall prove my statement—a thing which opponents of this small appropriation measure have failed to do. Extensive hearings, Mr. Speaker, before the House Committee on Appropriations failed to disclose that one single solitary industry had moved from the North or East to the TVA region.

It is true, Mr. Chairman, that new industries have grown up in the TVA area, as I have pointed out before. But this industrial development has not been accomplished at the sacrifice of the industrial prosperity of any other region in this country. The development which has occurred has been a healthy advancement to which every area of this land is rightfully entitled. TVA only made it possible for our region, neglected by private power interests, to grow as the Good Lord meant for it to grow when he bestowed so many rich, natural resources there.

I should also like to dispel the impression that the Government is giving the people of the Tennessee Valley anything. Every kilowatt of power is paid for, Mr. Chairman, by the consumers. This is no charity operation. There is a provision in the Tennessee Valley Authority Act, Mr. Chairman, providing for the amortization of revenue to cover the cost of this great project and each year a percentage sum required by statute is set aside by the TVA and paid into the United States Treasury. In addition, while the people of our region are being served with cheap electricity, the power-generating facilities of the TVA constitutes only one phase of this great development program. There is the navigation program, flood-control, and other conservation programs—all worthy and needed developments within their own right—which of themselves more than justify the existence of TVA.

Members of this body who do not acknowledge the fact of power shortage, the truth of the situation in the Tennessee Valley, are hampering their own progress. What is good for one region is good for all. Opportunities for expansion cannot be bottled up in one region or another. When one region prospers, the entire country is better off for it. I could not bring myself to deny to the eastern regions the development of their natural resources, nor could I bring myself to snipe at efforts of the Northwest to harness the vast resources of its area. Development in those areas promotes general prosperity in all sections of our common country.

It seems to me, Mr. Chairman, that we have too long overlooked the sources of this propaganda fog that follows TVA like a haunting ghost. It is very definitely man-made, Mr. Chairman. It can be traced to the private power lobbyists—those masters of the man-made fog. They have been exceedingly industrious in this matter.

In the desperate efforts of the private power fogmakers, whole page ads have been bought in the daily newspapers. Shout the propaganda from the rooftops, is their theory. Spare no expense. Such magazines as Newsweek, World Report, and others—who certainly do not give away their space—have been utilized to spread the message of the private power interests in full-page advertisements. They have even created a special organization to spread their false gospel. I refer to the National Association of Electric Companies. This organization, Mr. Chairman, has bombarded the Members of Congress with cleverly drawn letters designed to give out a false impression and improper information on this subject. This campaign has been astutely planned to minimize and discount the benefits the public receives from public power. They have subtletly planted the seeds of doubt by its insinuations against the TVA.

In this connection, Mr. Chairman, I believe it will be of interest to point out the National Association of Electric Companies is registered with the Congress as a lobby organization and that its official report to Congress on its activities shows that last year it was the third highest spender for lobbying purposes of any registered agency. They spent for purposes of discounting the benefits of public power, particularly the TVA, the sum of more than $304,000. And, Mr. Chairman, the sum of $65,000 of that avowed expenditure was salary for its No. 1 lobbyist in Washington. Such a salary thereby makes him the highest paid lobbyist in Washington today.

This highly paid private power lobbyist has produced many works of propaganda art. He has authored many fancy and costly brochures and pamphlets with which to educate the public. Let me quote briefly from some of this antipublic power literature:

The New Johnsonville steam plant, it was pointed out would lead to nationalization of other industries. Here is another:

> It is the taxpayers in the rest of the United States who will help pay for the steam plant to benefit one privileged area. They subsidize TVA.

TVA is also called an unfair competitor and the charge is made that enlargement of TVA would be injurious to the economic welfare of other sections of the United States.

Mr. Chairman, I should also like to point out that in the RECORD of Monday in the Extension of Remarks made by the distinguished former chairman of the House Committee on Appropriations, Mr. TABER, of New York, an effort was made to deprecate the fact that he has received many letters and communications from the people of the Tennessee Valley expressing their pride in the TVA and what it has done to bring prosperity and well-being to the people of this area and the South.

I should like to state to the gentleman from New York and to this entire body that those letters which he has read are a true expression of the feelings and beliefs of the people of the Tennessee Valley toward this great agency.

Mr. Chairman, among the purposes declared by the Congress in passing the TVA Act was to develop the resources of the Tennessee Valley for the benefit of all the people; to promote the prosperity and raise the level of income of the people of the valley; and also to strengthen the entire Nation by making the valley more productive. Progress has been made—progress in the development of our rivers for purposes of navigation and flood control, in the improvement of the fertility of our soil and the prevention of soil erosion through approved methods of conservation. A major portion of this progress is rooted in the blessings TVA has bestowed on the people of this region. Progress has also been made through the extension of rural electrification. Community and farm electrification has been developed and expanded. Our farmers and other individual consumers are making greater use of low-cost electricity. In 1933, when

the TVA Act was passed, only 1 farm in 28 had electric service. Today 50 farms out of every 100 are served by electricity through our efficient rural electric cooperatives cooperating with the Tennessee Valley Authority.

Within the Fifth Congressional District of Tennessee, the district which I have the honor to represent, the farms in 1930 were only 5 percent electrified. Today a little more than 51 percent of the farms of the Fifth District are served by electricity. These figures, Mr. Speaker, show the trend of the current program which aims toward further expanded rural electrification within the Fifth District and rural America.

In the postwar period alone some 1,400 miles of new power transmission lines have been built within the Fifth District of Tennessee. It is my hope that rural electrification can be extended to farm areas in all sections of our common country, as each strong region makes for a stronger Nation.

Mr. Chairman, I have voted for measures that have been for the benefit of the people of the North, the East, and the West. I have cast my vote for measures which were for the welfare of the people of other sections and regions. I have favored needed and necessary measures for the benefit of Alaska and our other territories and I have voted for assistance to the European nations.

I fail utterly, Mr. Chairman, to understand the tragic shortsightedness which keeps men from realizing that prosperity has a chain reaction; that when one section prospers, other sections will reap a harvert of benefits. This Government of people from the North, the East, the West, as well as the South, should not—it cannot—be guilty of putting a ceiling on progress in the South.

Let us not take any action here today which would reverse the trend of prosperity. Let common sense prevail.

Mr. Chairman, it is my hope that Members of this Congress will vote the modest sum requested by the pending amendment to the appropriation bill for the Tennessee Valley Authority. I urge adoption of the amendment not only in behalf of the people of Tennessee, but of all the people of America.

(Mr. EVINS asked and was given permission to revise and extend his remarks.)

The CHAIRMAN. The gentleman from Idaho [Mr. WHITE] is recognized for 4½ minutes.

Mr. WHITE of Idaho. Mr. Chairman, the bone of contention concerning the appropriations to construct steam auxiliary power plants appears to be the profits to be made from the sale of seasonal surplus electric power now being generated by the Government-owned hydroelectric plants during the high-water season.

The question here is shall this surplus seasonal Government-produced power be sold at bargain rates to private-owned electric companies to be firmed up for year-round production by supplementing steam-generated power by private interest and sold at a large profit? Or shall the Government firm up this seasonal surplus power by the construction of its own steam auxiliary plants and thereby secure a larger return on its investment by selling this seasonal and steam-generated power on a year-round basis at the current price rate?

I am wondering how the gentleman from New York and his colleagues expect to win the confidence of the American people by opposing good, sound business principles in building these auxiliary plants, and firming up this power and increasing the return on the Government investment.

Mr. EDWIN ARTHUR HALL. Mr. Chairman, will the gentleman yield?

Mr. WHITE of Idaho. I yield.

Mr. EDWIN ARTHUR HALL. If the gentleman had been washed out as many times as we have on the Susquehanna, he would worry about it.

Mr. WHITE of Idaho. What does steam plants have to do with being washed out by the Susquehanna?

Mr. EDWIN ARTHUR HALL. It has something to do with flood control.

Mr. WHITE of Idaho. This is a plain business proposition. I believe no man on the Republican side would hesitate a minute to put in a steam-generating plant to firm up the power and increase the revenue of these Government plants if it were proposed by a Republican administration.

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The gentleman from Massachusetts [Mr. FURCOLO] is recognized for 4½ minutes.

Mr. FURCOLO. Mr. Chairman, I am from Massachusetts; and, of course, that State is not directly affected by this TVA proposition. It does seem to me that the arguments on the Republican side more or less fall by their own weight: On the one hand, we are told this proposition is socialism; on the other hand, we are told that this proposition is in favor of the vested interests, the big corporations down there. It cannot very well be in favor of both. In addition to that, we have, of course, the argument of sectionalism. That, I suppose, comes up more frequently on the floor of this House than any other place in the country. For the life of me, I cannot see how we can look at the TVA or any other public-power project from the point of view of what it is going to bring to our home States. Directly, it is not going to bring anything to Massachusetts; but, looking at the project in the light that I regard it, it is going to bring benefit after benefit to the whole country. We represent all the people of the country, not just the people of one State or district; we represent all the people of this country. I say to you that the TVA is a proven proposition; it is not a matter of prophecy, it is not a matter of experimentation. TVA has proven its merit time after time in industry, in production, in defense, in all the articles that go into the home to make our American standard of living the standard of living that we want for this country and for our children.

It is not a question of what is good for my State or what is good for any other State; it is a question of what is good for the people of this country; and it is the people of this country who own TVA. It is good for all the people, and that includes those in my own State of Massachusetts, which is far removed from Tennessee.

I hope that in the future there will be many other projects similar to the TVA, projects that will reach throughout this entire Nation, projects to which we can point with pride and say we had a hand in their creation. How are you going to do it if you vote against TVA here and now? How are you going to go back to the people of this country when it is something for your State and say: "Oh, yes, I am in favor of that"? We are either for or against projects like TVA, wherever they may be. It is a matter of principle, not sectionalism.

We must go all the way, the whole distance on this proposition. I say to you that power is probably more needed than anything else to improve the American standard of living. We are for or against it; there is no middle ground.

As concerns the statement of the Member who said that if we had 10 such valley authorities 33 men could control the country, let me say this: If 33 men could control the country through the control of power, what greater argument is neded for public power? And what greater argument is needed for the TVA and every other single proposition that tends along the same line? You are either for TVA or you are against it. I urge you to vote in favor of it by voting down this amendment.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. FURCOLO. I yield.

Mr. YATES. Mr. Chairman, I am from the city of Chicago. I wish to subscribe 100 percent to the sentiments expressed by the gentleman from Massachusetts. As far as I am concerned I believe there is too much sectionalism expressed upon the floor of this House.

The benefits that flow from TVA will affect the entire country. Just as a few days ago we voted funds for the relief of a disaster which affected primarily the people of the West, yet that disaster secondarily affects the entire Nation as well. I believe, along with the gentleman from Massachusetts, that the TVA will do much to benefit and increase the prosperity of the entire Nation.

Mr. FURCOLO. I thank the gentleman for his contribution.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

The gentleman from Tennessee [Mr. SUTTON] is recognized for 4½ minutes.

Mr. SUTTON. Mr. Chairman, I am amused, amazed, and disgusted by some of the statements that have been made yesterday afternoon and today relative to the New Johnsonville steam plant. It seems that some of our friends from New York, Pennsylvania, and Iowa have had the same fight going on since 1933. The same reasoning advanced yesterday by the gentleman from New York in opposition to this plant was the identical argument he used in 1932 when TVA was created. He is running true to form in

his consistent support of special interests. In my opinion, the philosophy of progressive government advanced by the opponents of this plant, was well defined by the late, lamented, and beloved Will Rogers when he said, "Our policy is simple, nothing is no good."

There has been much talk about the constitutionality of the TVA. The Supreme Court of our Nation has declared the act constitutional. Today the gentleman from New York decries there is no need for this steam plant.

Mr. Chairman, as information for the opponents of this plant, there are in this 80,000-square-mile area some 6,000,000 people who are dependent upon TVA for electric energy. These 6,000,000 people, mostly rural, are in dire need of more power. We have 800,000 consumers of electricity today, within the area of the TVA, and hundreds of thousands more without electric power. These are not the big industries. They are the boys out on the farms who raise the crops that feed us. They have no electricity today. They need it to light up their homes, for washing machines, cream separators, water systems, various and sundry farm operations, and not to produce anything to be manufactured, but to feed the Nation in which we exist and reside.

There is a definite need for this plant unless you wish to segregate these 6,000,000 fine people. It is the obligation of this Government to take care of the people of our Nation and to protect them. By cutting out the appropriation for this steam plant you will say to those 6,000,000 people: "We do not want to have a thing to do with you; we want you to be backward, we do not want you to have any light or any power at all; we do not want any part of your future generation to be educated."

Mr. Chairman, that is not right. There is too much sectionalism brought up here today. I agree with the gentlemen who preceded me and spoke on that point. The gentleman from New York should bow his head in shame when he brings in sectionalism as he did yesterday afternoon.

Mr. TABER. Mr. Chairman, will the gentleman yield? I never mentioned sectionalism in my life.

Mr. SUTTON. I decline to yield to the gentleman.

Mr. Chairman, during World War II when we went into the service of our country and when his constituents went into the service of his country, when we went down through the valley of hell fighting for America, we were not fighting for New York, we were not fighting for Tennessee, we were not fighting for Texas or Washington; we were fighting for America.

That is the attitude I take here today. This is not a sectional problem. This is not just for the South. It is for the United States of America. It belongs to the people of America, not to the State of Tennessee. It belongs to everybody in the Nation. I will give the gentleman from New York the best hat there is in Washington, D. C., if he will point out one industry that has moved from the North or Northeast to the TVA area since 1933. TVA is not in competition with the North nor the Northeast. It is strictly an American institution for all the people of our Nation.

The CHAIRMAN. The Chair recognizes the gentleman from Massachusetts [Mr. WIGGLESWORTH].

(Mr. WIGGLESWORTH asked and was given permission to revise and extend his remarks.)

Mr. WIGGLESWORTH. Mr. Chairman, I rise in support of the pending amendment.

I support it for the reasons which I gave yesterday during general debate. I support it for the reasons as a result of which after thoroughgoing debate on the floor of this House last summer the proposal submitted by TVA was on two separate occasions voted down by record vote.

This is not a question, Mr. Chairman, of being for the TVA or against the TVA. We are all for the TVA in its proper sphere of action.

It is a question of fair play. To private industry and to the American people.

The facts are, as has been pointed out, that TVA under present conditions, with the subsidy which it receives, operates in such a manner that no private industry can possibly compete with it on a fair basis.

Until recently it made no reasonable provision for amortization or depreciation. Its interest burden has been practically negligible. Its tax burden has been estimated at somewhere between 10 and 20 percent of what anybody in private business would have to pay. I understand that a person in private industry pays more for taxes alone than TVA collects for the power which it sells. The net income which it earns, of around $17,000,000, is not even sufficient to cover what anyone in private industry would normally have to set aside for interest payments and for depreciation.

However you figure them, alleged costs of TVA are far less than the actual costs of private industry, and the people pay the difference in subsidy.

Until now TVA has limited its power activities to the generation and marketing of power incidental to navigation and flood control, in accordance with the clear intent of the TVA Act.

It now tells the Congress that there is an increasing demand in the TVA area which it cannot meet with its incidental power. It asserts a brand new obligation to meet that demand, and it requests the Congress to put it in a position, by steam-plant construction, to meet that demand, whatever it may prove to be, whatever its source, even though it can only be used by power over and above its incidental power and even though its customers are prohibited from steam-plant construction by so-called binding contracts with TVA.

This is a radical departure from the policy heretofore pursued.

I am against the proposal of TVA for the reasons which I stated yesterday. Limited time prevents any detailed statement.

I am against it because I do not believe that TVA has authority under present legislation to engage in the production and marketing of commercial power in competition with private industry, and because I believe that such a question of policy should not be determined in the course of considering an appropriation bill.

I am against it because the record indicates clearly that there is ample power available now and for years to come except for the prospective needs of big business users, such as the Aluminum Co. of America, the Monsanto Chemical Co., and other multi-million-dollar industries in and near the TVA.

I am against it because the prospective needs of big business do not need to be met by TVA. If steam-plant construction is necessary, the simplest solution is to let the industrial users construct and pay for the steam plant as they would in any other part of America. They will do it fair enough if they have to.

I am against it because I am against establishing the broad national policy which the proposal implies.

I can see no reason why the people of America, rich and poor alike, should be compelled to pay through higher prices and higher taxes for the power requirements of big business in Tennessee.

I can see no reason why government should compete with private industry on a basis which is utterly unfair.

I can see no reason for establishing a precedent which means increasing unfair competition and possible nationalization in this field and perhaps in any other industrial field in America.

Let us either limit TVA to its prescribed role or eliminate the present elements of unfair competition immediately.

I hope the pending amendment will be adopted.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

The Chair recognizes the gentleman from Massachusetts [Mr. McCORMACK].

(Mr. McCORMACK asked and was given premission to revise and extend his remarks.)

Mr. McCORMACK. Mr. Chairman, the matter before the Committee of the Whole now is simply a business one, whether we are going to make the Tennessee Valley Authority throughout all its activities in the distribution of power a real, efficient agency, or whether we are going to permit it to continue in its present ineffective form.

The Tennessee Valley Authority was established 16 years ago. Those of us who were here then remember that dramatic fight, the forces of progress against the forces who look backward. I stood in the well fighting for it then. On various occasions since when various questions have arisen in connection with the Tennessee Valley Authority I have stood in the well supporting legislation that would make it operate effectively and efficiently. I remember that then the charge of communism was hurled at that project, the inference being that those who supported such a project were inclined in that direction. I do not think any of us who supported it need take a back seat to any of those who opposed it,

in our patriotism. It is the basic issue that will exist a thousand years from now, the issue of the forces of progress against the forces of backwardness or the forces of reactionism. That is the issue which is involved in the question before the Committee of the Whole today.

The only purpose of this $2,000,000 plus is to determine whether or not the TVA will be allowed to operate as any other private power company would, with a steam plant to provide a steady flow of power throughout the year. All private companies possess such steam plants now. It is what is called a firm-up plant.

The opponents of the utilization of our natural resources—and that was the basic question involved 16 years ago—are opposed to this just as vigorously as they opposed the Tenessee Valley Authority 16 years ago. They opposed Boulder Dam, they opposed the Grand Coulee Dam, they opposed the Central Valley project, they will oppose a Connecticut Valley Authority, or a Merrimac Valley Authority in New England, which should be given serious consideration, and they will oppose the Missouri Valley Authority. Honest? Yes, I know they are honest in their view, but I sharply disagree with their judgment.

This project has brought benefits to millions of people. Private capital was unable to meet the situation. Tremendous floods, bringing in their wake destruction of property and danger to persons, had visited that great area of the country for countless generations. Were we going to permit that condition to continue? It was primarily a flood-control and navigation project. Then should we waste the tremendous power that could be developed as a result of our flood control and reclamation and irrigation? Common sense tells us that it would be a waste of public funds and a lack of common sense to permit the great power that could be developed as incidental to our flood control to be wasted.

So I say, Mr. Chairman, that this is another illustration of the time-old battle that was going on 200 years ago and 100 years ago and is going on now and will continue in the future—the battle of the forces of progress against the forces of reactionism.

Mr. Chairman, I hope the amendment offered by the gentleman from New York will be defeated.

The CHAIRMAN. The Chair recognizes the gentleman from Missouri [Mr. CANNON].

Mr. CANNON. Mr. Chairman, I ask unanimous consent to yield my time to the dean of the House, the gentleman from Illinois [Mr. SABATH].

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. SABATH. Mr. Chairman, the gentleman from Massachusetts has called attention to what transpired 16 years ago. I can go a little further back than that. I remember when the same forces that are now fighting this project tried to turn over Muscle Shoals to private industry. I remember when they were trying to turn it over to Mr. Henry Ford for little or nothing. I remember also that 14 years ago, under the leadership of a gentleman by the name of Hopson, forces were fighting the so-called holding-company bill, maintaining that it was a death sentence to the power companies. They spent over $3,000,000 in lobbying in an attempt to defeat that legislation, claiming that its passage would destroy the power companies. Sometime later, Mr. Hopson was convicted for giving false information concerning his lobbying activities.

We did pass legislation that sought to relieve the situation to bring about cheaper power rates, but notwithstanding our action, I find today that the power companies which spent over $3,000,000 for propaganda at that time against the measure are also opposed to the construction of the steam plant on the pretense that it would affect the private power industry. The legislation which Congress has enacted in the past has not injured the companies and has proven of benefit to certain sections of the country in the obtaining of expanded and better power service and fair rates.

Mr. Chairman, the power companies are as wrong today as they were then in contending that public power service would seriously affect or destroy them. I have here a statement giving the profits of the private power companies. Not wishing to unduly encumber the RECORD I will list six or seven of the companies showing the profits they derived in 1948 and ask unanimous consent to insert them as part of my remarks:

Pacific Gas & Electric Co	$27,351,000
Electric Power & Light Corp	26,420,926
American Power & Light	23,392,937
Public Service Electric & Gas Co	20,400,912
American Gas & Electric	19,740,816
Ohio Power Co	8,906,893

Those profit figures do not indicate that the private power companies are suffering and in danger of being destroyed. The fact is that their profits increased from 5 to 20 percent in 1948 and the profits of most of the companies are the highest since they were organized.

Consequently, Mr. Chairman, with all this evidence before us as to the operation of the private power companies and being aware that these same interests have been able to influence the Republican side in the past, I regret that the Republicans in the light of full facts should continue now to endeavor to serve private interests as against the interest of the people generally and contrary to the good of our Government. The TVA has not only been of great benefit to that part of the country but also to adjoining States. It has been beneficial to the entire country and has proven that it can produce and furnish power at a much lower cost to the users than the private power companies and to a great extent its operation has served as a yardstick as to the rate to be charged for power service.

For these reasons I am for the appropriation for the plant as reported by the committee which will make it possible for the TVA to reduce the cost of producing the power with a corresponding reduction in cost to the users. I regret that there has been opposition to the provision and in view of the benefits that will follow the erection of the steam plant, I am constrained to say that those who are opposing the provision unfortunately have been led astray by the avaricious power interests.

Mr. JENSEN. Mr. Chairman, will the gentleman yield?

Mr. SABATH. Yes; I will yield to the gentleman today.

Mr. JENSEN. Will the gentleman also add to his statement the fact that the private utilities are paying and have been paying for several years past in local, State and Federal taxes on an average the little sum of $650,000,000? Then, I would like to have you say, as a note to the list that you are going to submit, that we need the money in the Treasury of the United States to help build these projects that you are talking about.

Mr. SABATH. Where did they get the money? They got it from the people, from the consumers, because of the overcharges that they made. Otherwise they never could have made such profits that enabled them to pay the taxes which the gentleman mentions, and I presume the greater portion was for income taxes.

(Mr. SABATH asked and was given permission to revise and extend his remarks.)

[Mr. CHURCH addressed the Committee. His remarks will appear hereafter in the Appendix.]

(Mr. CHURCH asked and was given permission to extend his remarks at this point in the RECORD.)

(Mr. JENNINGS asked and was given permission to revise and extend his remarks.)

Mr. CANNON. Mr. Chairman, the committee yields the remainder of the time to the gentleman from Tennessee [Mr. GORE].

(Mr. SUTTON asked and was granted permisison to extend his remarks in the RECORD.)

Mr. GORE. Mr. Chairman, it shall be my purpose to address my remarks primarily to the approximately 100 Members who are serving their first term in this legislative body, and to whom the TVA is new legislation.

I would like to digress for a moment to say that I have watched this freshman class. I have been made very proud of them today. I am ready to say now that this freshman class is the brightest prospect this Congress has had in the 11 years I have been here.

I regret that you new Members must undergo this baptism of fire and propaganda and pressure politics of vested interests to which you are and have been subjected on this question. It is not new to Members of the Eightieth Congress, nor is it new to Members who have served here in any year since the TVA was created in 1933. This is but a continuation of the same old fight.

Why is it that you are having long-distance telephone calls from people in your districts who are wholly unfamiliar with the TVA and its contribution to national defense and the national economy? Why is it you are receiving telegrams? It is because there are powerful forces arrayed against this proposition,

the power trust, with the highest paid lobbyists in the world; Purcell L. Smith, as clever a gentleman as ever tried to destroy a Government project or to slit the throat of progress of 6,000,000 people. Sixty-five thousand dollars a year and an unlimited expense account he receives to propagandize you; and I am informed that in this fight he has contacted between four and five hundred thousand people, all for one purpose, to have them bring pressure to bear upon Congress, seemingly with particular attention directed to the new Members of this Congress. Do not fall prey to such pressure politics.

What is the TVA? It is a great, integrated undertaking to develop an entire river valley. If it is new to you, make no mistake about its being important. Why do I say it is important? Let me reflect just a moment to tell you that had it not been for the two great public power projects in the United States, TVA and Bonneville, neither of the atomic bombs that ended the war with Japan would have been manufactured. Today, the Oak Ridge atomic energy plant is the largest consumer of electrical energy generated by TVA. It uses more electricity, for instance, than the great city of Memphis with its 300,000 to 400,000 people with all of its houses, shops, stores, and industries.

During the heat of the conflict, when the contest was as to who would dominate the air over Europe, over the Atlantic, and the Pacific, it was TVA power that manufactured 51 percent of the aluminum that went into America's airplanes. Make no mistake about this being an important issue.

Let me go back a little further, especially for the new Members. Before TVA, the Tennessee River was a wild, turbulent stream, racing through its rapids of 650 miles, uncontrolled; floods occurring, not yearly, but sometimes several times during a year, wreaking destruction and ruin. There was a 650-mile stream, surging with unharnessed power, meandering through a region of great natural resources of America, unnavigable because of the hazardous rapids.

So, there was the problem of navigation. There was the problem of flood control. There was the problem of power.

And, most important of all, there was a human problem. In that region, which was a part of America and still is, the people's per capita income was only 40 percent of the national average. Oh. We thrill at the rehabilitation of Europe, and when our great leader mentions in an inaugural address a program to develop the backward areas of the world we all cheer and applaud; but when something is done for an underprivileged, undeveloped area of America with a per capita income only 40 percent of the national average that is socialism. That is an invasion of the prerogatives of private industry.

With what private industry would this proposed steam plant compete? There is no private electric industry in the Tennessee Valley. By act of Congress the TVA was authorized and directed to buy out the private utility interests of that region. Thereby, Congress eliminated the question of competition, and set aside this area of the Tennessee Valley and designated a Federal agency, the TVA, to serve its utility needs, to construct those dams to serve three purposes, flood control, navigation, and the generation of electricity. This will compete with no private industry whatsoever.

Now, in doing this, what did Congress do to the people of that valley? You gave them an opportunity; yes, a wonderful opportunity—and we appreciate it—just as you have given an opportunity to Norfolk, for instance, by improving their harbor; just as you have given an opportunity to the people of the Northwest, of the East, the North, the South, and the West; and I hope much more will be done in that regard. But you also created a monopoly supplier, the TVA, where 6,000,000 people must look to the TVA for their power needs. They have no other agency to look to; no private industry to look to.

All over America there is one phrase that has a familiar sound: "shortage of power." What is being done about it? Purcell Smith testified before the subcommittee—it is in the hearings—that within the next 6 years the private utility concerns—and I applaud them for their efforts—have plans under way to augment their generating capacity by $6,000,000,000 worth of plant capacity. That is well and good, but what about the area of the Tennessee Valley, where you, the Congress of the United States, have said that we must look to this agency for our power? Demands have been growing there, too. When the TVA started, less than 1 farmer in 30 had electricity. We have made progress, yes—1 out of every 2 now has electricity. Five thousand new farmers are receiving electricity every month. Every time a 3-month period rolls around this year we are extending electricity to more farmers than had electricity in the entire Tennessee Valley before the TVA was created. Our power demand has increased by more than 1,000 percent. Now, are you going to place a lid on development? Are you going to stop the rural-electrification program in this area? Are you going to stop the lighting of veterans' homes? Are you going to say to the people, these 6,000,000 Americans, that althouh they must look to the TVA as the sole supplier of their electricity, we are not going to let the TVA increase their generating capacity—people of the TVA region, we are going to place a lid on your further development? Surely this Congress will not do that. I say "this Congress" because the American people rejected the bus-bar philosophy of the Eightieth Congress.

Before the TVA was created, the people in the Tennessee Valley paid 3 percent of the national income tax. Do you know what we paid last year? We paid 6 percent of the national income tax.

The CHAIRMAN. The time of the gentleman from Tennessee has expired.

(Mr. SANBORN asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. SANBORN. Mr. Chairman, as in the previous Congress, I am opposed to the granting of this appropriation to establish a huge steam-power plant in the TVA. The TVA was established to develop and protect the natural resources of the region but, as has been pointed out by friends of the TVA, its authority has been used to create a monopoly of power development. Today they use that argument to justify the necessity for the Government to go completely into the power business and to develop and furnish power for the territory regardless of the process of such development.

Advocates of the valley-authority idea are urging the establishment of other authorities, the first such proposals being the Columbia Valley Authority, which would include my district—the Second District of Idaho. Step by step they plan to blanket the whole United States with such authorities. Ostensibly these governments are for the purpose of integrating the development of the country on a more rapid and more efficient basis. But this growth of power monopoly in the TVA is a pattern and a warning for the rest of the country as to what a Federal monopoly it will expand.

Many of my colleagues have remarked that this item does not affect their territory, but I insist that it is only another step until their territory will be threatened with similar treatment. It is a fallacy to say that private industry would not furnish its own power if needed, provided it was assured that the Government would stop with the development of the natural resources. We need the Government to help develop our natural resources.

Of course, President Truman has asked the power to build and operate Federal factories where private industry fails to meet an enlarged demand. If it is to be the policy of our Government to crowd in on private industry and socialize it, then this new policy of building steam power plants points the way and accelerates the job. I am so thoroughly opposed to this item in the bill before us that I cannot bring myself to vote the benefits in the bill as long as this item remains. I cannot be a party to such a policy.

The CHAIRMAN. All time has expired.

The question is on the amendment offered by the gentleman from New York [Mr. TABER].

The question was taken; and on a division (demanded by Mr. TABER) there were—ayes 86, noes 171.

Mr. TABER. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. TABER and Mr. RABAUT.

The Committee again divided; and the tellers reported that there were—ayes 105, noes 192.

So the amendment was rejected.

The Clerk read as follows:

PRODUCTION AND MARKETING ADMINISTRATION

CONSERVATION AND USE OF AGRICULTURAL LAND RESOURCES

For an additional amount for "Conservation and use of agricultural land resources," for formulating and carrying out programs under the Agricultural Adjustment Act of 1938, as amended, including cotton and wheat

marketing quota programs, $9,734,500; and the limitation under this head in the Department of Agriculture Appropriation Act, 1949, on the amount available during the fiscal year 1949 for salaries and other administrative expenses, is increased from "$24,500,000" to "$34,234,500"; and the limitation under said head on the amount available for transfer to the appropriation account "Administrative expenses, section 392, Agricultural Adjustment Act of 1938," is increased from "$7,000,000" to "$8,284,000."

Mr. CANNON. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, there are only about 4 more amendments to be considered. We think we can dispose of them with 10 minutes of debate each. I trust everyone will remain on the floor.

Mr. Chairman, I now ask unanimous consent that the remainder of the bill be considered as read and that amendments to any portion of the bill not yet read be now in order.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. CANNON. I yield.

Mr. McCORMACK. I want to make a statement for the benefit of the House. As I stated yesterday, if the program that I have announced for the remainder of the week is completed by tomorrow night, I shall ask unanimous consent that when the House adjourns tomorrow it adjorn until Monday. The next order of business will be the continuation of the export controls. There are also two resolutions with relation to investigations which I do not think will take very long.

Then there is a bill reported out of the Committee on Merchant Marine and Fisheries relating to some of the activities of the Maritime Commission. My information is that there is no opposition to it. I make this statement to the membership so that my colleages will know what my intentions are if we dispose of this bill and the remainder of the legislative program.

Mr. JENSEN. Mr. Chairman, I offer an amendment.

The Clerk read, as follows:

Amendment offered by Mr. JENSEN: On page 14, line 2 to 5, strike out the following: "and the limitations under said head on force account activities and on salaries and expenses in connection with informational work are hereby repealed."

Mr. CANNON. Mr. Chairman, I ask unanimous consent that debate on this paragraph and all amendments thereto close in 10 minutes, the last 5 minutes to be reserved to the committee.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri [Mr. CANNON]?

There was no objection.

Mr. JENSEN. Mr. Chairman, the purpose of my amendment is to retain in the present law the limitations on the amount of the appropriated funds that the Bonneville Power Administration can spend for force-account construction. Also the present law provides that only $50,000 can be spend for informational service.

Mr. TABER. Mr. Chairman, will the gentleman yield?

Mr. JENSEN. I yield.

Mr. TABER. If your amendment is not adopted, than they can spend all of it for propaganda purposes; could they not?

Mr. JENSEN. That is right. They can also spend all the money that the Congress appropriates to construct projects by using day labor instead of following the regular governmental procedure of letting all its contracts to the lowest responsible bidder. The law at the present time limits the amount that can be spent by the Bonneville Power Administration for force account to 8 percent of the funds appropriated for each project. We placed that limitation in the law during the last session of the Eightieth Congress to safeguard the taxpayers of America against a program of hiring people by day labor to do these big construction jobs amounting to hundreds of millions of dollars each year. We had indications last year that that much of this work was to be done, more than ever before, by force account.

We felt it right and proper that a limitation of 8 percent should be placed on force account expenditures. In former years an average of only 5 percent had been spent for such construction purposes. The construction program of the Bonneville Power Administration has been going forward at a more rapid rate than ever before, during the last year and a half. Of course, it is a fact that the Eightieth Congress appropriated more money for transmission lines than had ever been appropriated before in the history of the Nation, not only for Bonneville, but also for the Bureau of Reclamation to expend. So it cannot be said that the Republican Party, which was in charge of the Eightieth Congress, was stingy with funds for needed transmission lines to take the power from federally owned and operated plants to load centers where the people, the REA, municipalities, and industries could come and get that power with their own lines, built with their own money as they should do.

The publicity limitation was placed in the bill last year to head off this great propaganda machine that has been built up in the Department of the Interior to such a degree that scores of their employees spent little time at the job they were supposed to do, but spent almost all of their time propagandizing for public power ownership, for a Columbia Basin Authority, for a Missouri Valley Authority, and for things which they were not paid to do, but which the Department permitted them to do. So we felt it right and proper and absolutely necessary to limit that kind of a program to $50,000.

I hope the amendment will be agreed to.

The CHAIRMAN. The time of the gentleman from Iowa [Mr. JENSEN] has expired.

Mr. JACKSON of Washington. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, the gentleman from Iowa [Mr. JENSEN] has offered an amendment that relates to two distinct provisions in the bill. One refers to a limitation on the informational work of the Bonneville Administration, and the other refers to the force-account provision. These limitations interfere with the proper management of the agency.

The Bonneville Power Administration has done a real job in marketing the great power resources of the Pacific Northwest. There has been virtually no criticism of the work done by this great agency. We have one of the greatest power-resource areas in the entire United States located in the Northwest. In fact, about one-third of all the potential hydroelectric power in America is in the Pacific Northwest. Obviously they cannot do the job if they are to be hamstrung by limitations.

During the last Congress a limitation of $12,500 was placed on all informational work of the Bonneville Power Administration, which includes all personnel of every kind. The Director of the Bonneville Administration would like additional funds to properly carry on the work commensurate with this vast undertaking. He has the problem of dealing with both private and public utilities. He is trying to do a good job under difficult circumstances. The private utilities today can spend thousands and thousands of dollars, not only here in Washington but throughout the country in propaganda work of all kinds. They have a paid lobbyist here in Washington, D. C., by the name of Purcell Smith, who draws a salary of $65,000 a year. Certainly it is high time that the public interest be adequately and fairly protected.

Let me turn to the other item, the force-account provision. Our committee is agreed that the work being done in the Pacific Northwest by Bonneville Power Administration and the Bureau of Reclamation should be done by private contractors. The truth is that prior to the placing of this limitation in the Bonneville appropriation approximately 5 percent of all the work was done on force account. In the last Congress an 8-percent limitation was written into the bill.

As long as the force-account limitation remains in the bill the private contractors have an unfair bargaining advantage over the Government. With the limitation removed the contractors will be forced to submit reasonable bids, lest the Government undertake to do the work by force account. Our committee feels very strongly that the limitation should be removed. We are not in disagreement regarding the right of private contractors to do the work; the question is, Is this the right approach by placing a limitation on the Administrator? The committee feels it is the wrong approach and not in the public interest.

It is unworkable if we expect a businesslike operation of the Bonneville Power Administration. I hope the committee will vote down the amendment offered by the gentleman from Iowa.

The CHAIRMAN. The time of the gentleman from Washington has expired.

All time on this amendment has expired.

The question is on the amendment offered by the gentleman from Iowa.

The question was taken; and on a division (demanded by Mr. JENSEN) there were—ayes 63, noes 116.

So the amendment was rejected.

Mr. MURDOCK. Mr. Chairman, I move to strike out the last word and ask permission to extend my remarks. I take this time not to offer an amendment, but to read a telegram which has just been handed me. This is the telegram:

NEW YORK, N. Y., *February 16, 1949.*
Hon. JOHN R. MURDOCK,
House of Representatives:

Navajo schools will close March 15 unless $550,000 for operation approved by Budget Bureau is reinstated in H. R. 2632, deficiency bill now before the House. Urge you take immediate action to avert this calamity, considering only tragic emergency in lives of thousands of Navajo children.

ASSOCIATION ON AMERICAN INDIAN AFFAIRS,
OLIVER LAFARGE, *President.*

Mr. Chairman, this telegram comes too late, under the parliamentary situation, to remedy the defect, if such it be, in the finishing of the present bill. But I do want to comment on the educational situation of these Indians in general for the benefit of the Committee.

The whole public has been aroused with regard to the tragic conditions of the Navajo Indians. Congress appropriated generously a year ago for the relief of the Navajo and Hopi Indians, for which I am grateful in their behalf. But in the last Congress when we were considering authorization and appropriations for the Navajo and Hopi Indians I pointed out that what was even more important was a long-range development program for these sixty-five or seventy thousand Indians. Repeatedly I have called attention to the situation on the Navajo Reservation. Probably 20 times during the 12 years that I have been here, on the floor of this House or in committee meetings, I have called attention to a bad situation which needs remedying.

The Navajo Reservation is as large as the entire State of West Virginia, mostly situated on a high plateau. It has very few roads that are passable 6 months of the year. With 22,000 children of school age, not more than 6,000 of whom have ever been to school, their educational needs are among their greatest needs. Their leaders have repeatedly called for schools and hospitals over and above other petitions on vital matters.

I fear too many serious-minded citizens do not understand the immensity of this educational problem. I hear gentlemen speaking of "turning the Indians loose" and assuming that their children can go to school in the States where they live and that their education will be amply provided. Now, these are full-blood Indians, mostly classified as wild Indians, They have long been neglected by the Government and the appropriations made have been woefully inadequate. Without assessing blame on whoever is to be blamed, I cite a fact. This Navajo case is the most serious problem in connection with the whole American Indian question. The present item, important as it is, is a minor point, but I felt I would be derelict in my duty if I did not call it to your atention.

Mr. Chairman, it is too late in the reading of the bill to make further comment. I do not know the justification the service offered for the full budget amount, but I do know that there is a dire and lasting emergency among those Indian people and I have taken this moment to call it to the attention of the Committee.

Mr. D'EWART. Mr. Chairman, will the gentleman yield?

Mr. MURDOCK. I yield to the gentleman from Montana.

Mr. D'EWART. Mr. Chairman, the Bureau of Indian Affairs has asked for an additional amount of $385,000 for welfare of Indians for the remaining months of the current fiscal year. I am pleased to note that the committee has provided the full amount in this deficiency bill.

I wish to point out that this deficiency request was made several weeks ago before the Bureau of Indian Affairs or anyone else was aware of the emergency situation which has been created by the unusually severe January weather in the West. The suffering of Indians on many reservations has been acute as the result of the recent blizzards, and the need for additional welfare funds is much greater now than it was at the time this supplemental request was made.

I am unofficially informed that the welfare account of the Indian Bureau contained $106 as of last Friday. The small reserve which the Bureau had as of January 1 has been exhausted by the allocations required for blizzard areas. Reservations in North and South Dakota have been particularly hard hit. The Bureau has made available a total of $29,800 for the Crow Creek, Rosebud, Pine Ridge, Sisseton, Turtle Mountain, Standing Rock reservations in these States. In addition, the State of North Dakota has made available $12,000 for the relief of the Indians at Turtle Mountain and local citizens and civic groups in the Dakotas and Montana have contributed to the assistance of these Indians.

In addition to these amounts, I am advised that the sum of $50,000 from the President's emergency funds was allocated to Indian relief and has been expended.

Before the January storms began, the Indian Bureau had found that heavy snows in some areas and drought conditions in others had reduced employment opportunities for Indians. In addition, assistance payments have risen due to increased living costs. As a result, the rate of expenditures for welfare of Indians has been considerably higher this year than formerly. The months from January to June usually impose the heaviest burden on Indian relief and assistance funds. It is estimated that 16,000 persons will require assistance during the remainder of this fiscal year. With these facts in mind, it is obvious that the full amount of the appropriation requested by the Indian Bureau is required to fulfill our obligations to the Indians.

BUREAU OF INDIAN AFFAIRS

Welfare of Indians: "For an additional amount for welfare of Indians, $385,000: *Provided,* That after the approval of this act no payment shall be made from this appropriation to Indians who are eligible for benefit payments under the Social Security Act."

The purpose of this estimate is to provide additional funds for assistance to needy Indans except those who are members of the Navajo and Hopi tribes and those who are eligible for benefit payments under the Social Security Act. Heavy snows and low temperatures in many areas and drought in other areas have resulted in a reduction in employment opportunities for many able-bodied Indians and in hardship to unemployables. In addition, there has been an upward adjustment of assistance payments to meet increased living costs.

For the current fiscal year, Congress appropriated $472,710 for "Welfare of Indians" of which amount $229,756 was earmarked for direct assistance. Our estimate was in the amount of $750,000 with an allowance of $492,367 for direct assistance. The reduction in the appropriation resulted in a cut of $262,611 for direct assistance.

Through November 30, 1948, 10,954 persons have been given assistance at an average monthly rate of $13.81 per person. This is an increase of 4,305 persons in the same period of the last fiscal year, and an increase in the average grant per person of $2.95. It must be recognized that the months of January to June constitute the period of greatest need until work becomes available. During those months in 1948, assistance was given to 33,338 persons. Our superintendents estimate that during the six remaining months of this fiscal year 16,000 persons will require assistance. It should be noted that these estimates were prepared prior to the recent blizzards in the West, and no doubt the number of Indians asking for assistance has increased very materially.

The sum of $297,017 of the appropriation of $472,710 has been expended up to December 31, 1948, thus leaving $175,693 available for all purposes for the remainder of the year. Of the $175,693 remaining, approximately $100,000 will be required to meet certain fixed charges, including payment of boarding home care, care of juvenile delinquents, burials, contracts, and salary and expenses of personnel. This leaves about $75,000 for giving relief or direct assistance which is entirely inadequate to meet the needs of an estimated 16,000 persons for the remaining 6 months of the year. Of the amount expended to December 31, 1948, namely, $297,017, $208,763 was used for giving relief to Indians, and $88,254 for all other purposes.

With few exceptions, the needy Indian is solely dependent on the Federal Government for direct assistance. Funds appropriated by Congress or tribal funds either authorized by Congress or under the immediate control of the tribe are used to give assistance to those physically handicapped, dependent or deserted families, those not yet eligible for old-age assistance, those unemployed for various reasons, and others who must be helped in time of need.

On many jurisdictions the resources are inadequate to support the population. Despite our efforts to induce employable Indians to leave the reservation for outside work, it is and has not been possible to decrease the relief load. Even though work is available, there are times and circumstances when the Indian cannot leave the reservation to accept it because of lack of housing, lack of skills to perform the type of work required, or because the earnings are not sufficient to support the individual or members of his family. Again, most of the work available to the Indians is seasonal, such as harvesting of crops, picking of fruit, road work, etc. Such opportunities usually provide employment for 2 or 4

months, and the earnings and savings are not sufficient to meet the needs of the family for the remainder of the year, especially when the Indian lives in that portion of the country, as many do, where the winters are long and cold, and where work is not available again until late spring. When the average period of employment is less than 18 weeks during the year and the average weekly earnings are about $37, or a total of $666 for the year, many families cannot support themselves on a 12-month basis, and assistance from the Government during the long, cold winter is necessary.

State welfare departments recognize the fact that the cost of living has gone up, and State budgets, which we attempt to follow within the funds available, have been increased upward. Increase in grants in line with State procedures and standards reduces the available funds for giving relief, especially when the amount requested was reduced and the amount initially appropriated is inadequate. A month-by-month comparison of the case load of the larger agencies sharing in this appropriation shows a substantial increase in the number of relief clients, which fact is also responsible for a heavier demand on available funds.

Reports from the field, including newspaper reports, indicate that the Indians in many areas are confronted with severe winter weather, heavy snows, and low temperatures, that work has terminated, and that many Indians had only short periods of employment, and in some areas, due to mechanization of the farm, hand labor has been sharply curtailed. Drought in other areas has seriously affected employment. Consequently demands for assistance have increased and are increasing. Information presented by our superintendents, dependent upon this appropriation, show that during the months from February to June 1949, inclusive, in excess of 13,500 Indians will need to be assisted.

Not only does the Indian Service give direct assistance to the needy but it is called upon to meet the cost of placing Indian children in boarding homes and in institutions, burial of indigents, and to give other types of service and assistance.

Of the amount requested, $10,000 is to cover salary increases due to Public Law 900.

(Mr. D'EWART and Mr. MURDOCK asked and were given permission to extend their remarks in the RECORD.)

Mr. JENSEN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. JENSEN: Page 15, lines 3 to 11, strike out the entire paragraph.

Mr. JENSEN. Mr. Chairman, this is an almost identical amendment to the one we just voted on and I shall not make any further comment upon it after the defeat of the last amendment for I know this amendment will meet the same fate.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Iowa [Mr. JENSEN].

The amendment was rejected.

Mr. JENSEN. Mr. Chairman, I offer another amendment.

The Clerk read as follows:

Amendment offered by Mr. JENSEN: On page 16, line 8, beginning with the word *"Provided"*, strike out the provision in lines 8 to 16, inclusive.

Mr. CANNON. Mr. Chairman, will the gentleman yield?

Mr. JENSEN. I yield to the gentleman from Missouri.

Mr. CANNON. Mr. Chairman, I ask unanimous consent that all debate on this paragraph and all amendments thereto close in 20 minutes, the last 5 minutes to be reserved for the committee.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. JENSEN. Mr. Chairman, before speaking on the amendment, I should like to say to the new Members, in response to our colleague from Tennessee [Mr. GORE], and to remind them, especially Members from the Southern States, that one of these fine days you will be voting with a number of we Members on this side of the aisle when the States' rights bill comes before the House for consideration if it ever gets here. May I say that as one Member of Congress I have been with you folks of the South right down the line on States' rights issues. Quite a few of us feel that your State should decide the kind of election laws you want without Government interference, as the Constitution provides.

Mr. Chairman, the amendment I have just offered is to keep in the law which was passed last year certain limitations, the first being a limitation of $7,800,000 which we permitted the Denver office of the Bureau of Reclamation to spend for engineering services. That amount provided for over 1,800 engineers. Because of this limitation it was necessary for them to take a few engineers off the pay roll in the Denver office. Of course, as usual they were shifted to some other department of the Department of the Interior. A few of them got good jobs with private industry I am pleased to report.

The next part of the amendment is to strike out a limitation of $48,000,000 which we placed in the law last year, which was the amount that could be spent for administrative personnel hire for the whole Department of the Interior. The year before they had spent $45,000,000-plus for personal service and administrative expenditures. But, we expanded the construction program last year. We thought we were liberal and we limited the Department to $48,000,000. Now they say they must have a lot more, and want no limitation placed on them whatever. If we want to let them run wild and get nothing done, why this is a good way to do it; just turn them loose to spend and waste the taxpayers' dollars.

The next part of the amendment is a limitation which was placed in the law last year of 3,500 employees that could draw salaries above CAF–9 and P–3, salaries amounting to $4,100 or more. We limited them to 3,500 employees who could draw more than that. They had had something like 3,300. So, we thought we were liberal there. Now they say these limitations have almost brought destruction to the Bureau of Reclamation.

I hope the Members who want to get jobs done in the West, like all the rest of us do, who want the departments of Government to carry on in a sound businesslike manner and earn their money and not squander the taxpayers' money, will support this amendment.

The CHAIRMAN. The time of the gentleman from Iowa has expired.

Mr. McCORMACK. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I was very much surprised to hear the gentleman from Iowa [Mr. JENSEN] make such an open and, if I might politely say, crude appeal to sectionalism that he made just a few minutes ago. I resent it as a Member of this body. I resent making a direct appeal to Members of this body from the South; and, a subtle appeal on civil rights; an appeal to emotions, when he knows that when the vote comes on that question every member of his party will not vote the way the subtle appeal was attempted to be made.

Only a few minutes ago we had the Tennessee Valley Authority matter up. Where was my friend and the Republican Party on that issue? There were about 15 Members who voted against the proposal, but the solid membership on the floor voted for the construction of the steam plant. Those of us who have been here through the years remember our solidarity on the votes throughout the years. I can remember the first Bankhead Cotton Quota Act. We who represent city districts supported that. I made a speech for it on the floor of the House. I can remember the farm-tenant legislation. Not only did we who represent strictly nonagricultural districts vote for it but I was on the floor of the House making speeches for it. I am proud of the new Members who spoke today because, as one Member so well said, they view these problems from the national angle and not from the sectional angle.

I have always found that I am better off with my own political family, sticking with my own family, than listening to subtle appeals that seek to divide. The appeal just made was so open, so apparent, that I could not remain in my seat and let it go by unanswered, particularly when on every great, progressive measure that concerns this country, particularly the Southland, the overwhelming majority of the Republican Party down through the years have consistently opposed them.

Many times those of us from districts like the one I represent have viewed things from the national angle, even though politically it might not have been to our advantage to do so. Many people think of taxes in terms of the dollars they pay, but I am also concerned with the human values, I am concerned with the over-all interest of the United States.

We know where the opposition has come from down through the years. No matter what differences of opinion there may be on our side on this question, let us not respond to the false appeals that have been made today, the appeals to emotions. Throughout the years, on every matter that has come up, the party of my friend from Iowa has consistently in the great majority voted against progressive measures, no matter what part of the country they affected, particularly the Southland. I do not like the idea of

speaking of Democrats from the South or from the North, of Democrats from the southern part of the country, but for descriptive or geographical purposes, I refer to them from the Southland, Democrats from the northern part of the country or the Northland. It was Democrats from the northern part of the country who rallied shoulder to shoulder with our brothers from the southern part of the country in helping them out of their problems.

Mr. JENSEN. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I yield, but the gentleman did make an appeal to sectionalism, did he not?

Mr. JENSEN. I wonder if the gentleman could tell us when we could expect to have the States' rights bill on the floor of the House.

Mr. McCORMACK. The gentleman is a smart individual, he thinks. He made an appeal to sectionalism, did he not?

Mr. JENSEN. I am asking the gentleman a question.

Mr. McCORMACK. The gentleman just a moment ago made an appeal to sectionalism in its crudest form, and that appeal is repugnant to the sensibilities of any decent person and any decent Member. The gentleman has been one of the most backward-thinking Members of the House.

Mr. JENSEN. Oh, is that so?

Mr. McCORMACK. If the gentleman wants to cleanse himself and make an open confession, I will yield. An open confession is good for the soul.

Mr. JENSEN. I will make an open confession.

Mr. McCORMACK. Then let the gentleman go ahead and, in his own time, make a free and complete confession, and try to become progressive-minded.

Mr. JENSEN. Why does not the gentleman answer my question?

The CHAIRMAN. The time of the gentleman from Massachusetts has expired. All time has expired.

The question is on the amendment offered by the gentleman from Iowa [Mr. JENSEN].

The question was taken; and on a division (demanded by Mr. JENSEN) there were—ayes 62, noes 117.

So the amendment was rejected.

Mr. WADSWORTH. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WADSWORTH: On page 16, line 17, strike out the entire paragraph to and including page 17, line 4.

Mr. CANNON. Mr. Chairman, will the gentleman yield?

Mr. WADSWORTH. I yield.

Mr. CANNON. Mr. Chairman, I ask unanimous consent that debate on this paragraph and all amendments thereto close in 10 minutes, half of the time to be controlled by the gentleman from New York [Mr. WADSWORTH] and half by the committee.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri [Mr. CANNON]?

There was no objection.

Mr. WADSWORTH. Mr. Chairman, of course, I will be entirely frank with my friends on the Democratic side and say to them that I expect this amendment will be greeted with a roar of "noes." Yet I desire to call to their attention some facts. I desire to call to their serious attention these facts, and I do it in no partisan spirit whatsoever. I think it will be conceded by a fairly good number of my Democratic friends that I have not been overpartisan in my behavior in this House of Representatives during the last 18 years. The language which I seek to strike out is that found on page 16, and continuing on page 17, which, in effect, states that the Commissioner of Reclamation and the Assistant Commissioner and the regional director shall, each of them, have had 5 years' engineering and administrative experience. That provision was put in the law last year on motion made by Congressman ELLIOTT, a Democrat, from California. Upon yesterday in a talk extending about 22 minutes I attempted to give the background of that legislation. In doing so I made a series of statements with respect to the behavior of the Commissioner of Reclamation, Mr. Straus, and a certain regional director, Mr. Boke. Every one of those statements was founded upon incontrovertible evidence—every one of them. Some of the evidence came from the official correspondence of the Reclamation office; some of it came from the utterances made publicly by officials of the Reclamation Service, and some of it came from the sworn testimony delivered on the witness stand before our investigating committee by those officials themselves. What did the evidence show? Briefly, first, that the Reclamation Service in handling the Central Valley project undertaking deliberately ignored the intent of the Congress. The regional director of that project admitted that the course they pursued did not follow the intent of the Congress.

Secondly, they deliberately deceived the Congress with respect to the financial condition of the Central Valley project, giving the Congress no warning whatsoever, keeping it a secret that they intended to spend the entire year's fund in 6 months, which they did. And, finally, at a meeting of the members of this Reclamation Service at Salt Lake City, the Chief Engineer of the whole Service admitted that in evading the intent of Congress with respect to the discharge of certain employees, they had perjured themselves.

This is, in short, a list of their offenses. I confess that as a member of that committee I was shocked that men in the employ of the Government in positions of high responsibility should behave in such fashion. That is the way they behaved.

As I said a moment ago, the evidence is documentary and uncontrovertable.

Now, I am not appealing to this committee on partisan lines. I am appealing to the members of this committee to see to it that a rebuke is administered for that kind of conduct. This provision was put into the law last year at the instance of a Democratic Member and it will have no deleterious effect upon the administration of the Reclamation Service.

I might remind you that in the long, long career of the Reclamation Service, which has been highly creditable until 2 years ago when these people came in, all but one of the Commissioners of Reclamation has been an engineer, and every single regional director, up to this particular point, has been an engineer.

I suggest to my friends on the Democratic side of the aisle that they vote to keep this Government clean.

The CHAIRMAN. The time of the gentleman has expired.

Mr. KIRWAN. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, this language was put into the bill last year at the behest of the chairman of the subcommittee investigating expenditures and propaganda in the Government. The chairman of that subcommittee, Mr. Harness, is not working with us any more. He was defeated last year. The other, a Democratic member at that time, chose not to run.

They tell you in this language that the Commissioner of Reclamation must be an engineer. Let us look into this.

In the year 1923, when the private utilities, if you will, tried to make the greatest steal that was ever attempted in this country, the project then known as Muscle Shoals, Wilson Dam—the Nation was shocked. Why? Because the engineer who at that time was Commissioner of Reclamation, backed up the committee and the people and told the people the truth. The head of the Reclamation Service at that particular time was an engineer, and was recognized as one of the three greatest engineers in America.

That is what you had in 1923. What did they do in this House at that time? They passed a law then discharging that man because he was not an administrator. He was an engineer. Now, what did you do last year? Because the Commissioner of Reclamation defended the public and the American people, the Eightieth Congress passed a law discharging him because he was not an engineer.

Now, what is the truth? You cut the bill 47 percent in the first session of the Eightieth Congress. Of course the funds lasted only 6 months. Anyone knows that and can understand why. The contractors were going to finish it in 6 months. It would not run over a year. I told you that in the committee. I spoke in this House and I said it will come back to haunt you if you cut it 47 percent. They cut it, and they slowed up the work and what I said came true.

Mr. WADSWORTH. Mr. Chairman, will the gentleman yield?

Mr. KIRWAN. I yield.

Mr. WADSWORTH. Does not the gentleman recollect that the appropriation made for the Central Valley Authority was exactly the same figure as that requested by the President of the United States?

Mr. KIRWAN. Perhaps it was, but I am telling you what went on on this floor. When you cut that bill 47 percent, certainly they ran out of work. Construction had to stop. Now you have got an attorney pressing a claim here against the Government of the United States for $850,000 for stopping that contractor and running out of work, and not living up

to the contract. That is what went on in America year before last.

Now, let us look at the Congress. Long before they ever had a President or saw a bureaucrat, the Congress was here; the Continental Congress.

Let us see if they practice what they preach. In the year 1947 there came to this House a man wearing the Congressional Medal of Honor—and others have down through the 165 years or so of this Congress—a graduate of Annapolis, one of the greatest heroes we ever had. Everyone thought he would be placed on the Committee on Naval Affairs; but, no, he went on the Committee on Agriculture. So it has been many times that people were put on committees without reference to their qualification to serve on committees.

But remember, back in 1923 the effort was made to discharge the commissioner who was an engineer because he was not an administrator.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. KIRWAN. I yield.

Mr. McCORMACK. And also involved last year was the attempt of certain big interests to get rid of these two men because they were fighting for the principles established by Congress.

Mr. KIRWAN. The gentleman is correct.

Yesterday the gentleman from New York complained saying they petitioned the Congress and the press petitioned the Congress for those men. Who would they petition but the Congress? That is provided for in the Constitution. I certainly would have objected had they petitioned the British Parliament.

Mr. MANSFIELD. Mr. Chairman, will the gentleman yield?

Mr. KIRWAN. I yield.

Mr. MANSFIELD. I should like to tell the House that the present Commissioner of Reclamation, Mike Straus, was inducted into the Blackfeet Tribe in Montana last July 10 and was given the title "Engineer of the Wilderness." I submit that the awarding of this degree qualifies him for the position he now holds.

Mr. KIRWAN. Yes; and he has made a good engineer.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

All time on this amendment has expired.

The question is on the amendment offered by the gentleman from New York.

The question was taken; and on a division (demanded by Mr. WADSWORTH) there were—ayes 87, noes 136.

So the amendment was rejected.

Mr. WHITE of Idaho. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WHITE of Idaho: Page 17, line 9, after the word "Idaho", strike out "$300,000" and insert "$350,000."

Mr. CANNON. Mr. Chairman, I ask unanimous consent that all debate on this paragraph and all amendments thereto close in 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. WHITE of Idaho. Mr. Chairman, the purpose of offering this amendment increasing the amount from $300,000 to $350,000 is, in the first place, to insert the amount that was recommended in the budget, and it also carries out a program that has been worked up by the water users of the Lewiston Orchards irrigation district and the Department of the Interior. If we do not add this amount now, it will simply increase the cost and delay the construction of this project.

Mr. Chairman, I would like to read to the Members a statement from the manager of the Lewiston Orchards irrigation district, as follows:

It is going to be a difficult operation to install our new pipe because of the interruption of service to 1,100 houses and small farms. Then we have the problem of trying to maintain the old rotting wooden pipe with heavy equipment working on or near it. Now that we have once started to tear things up, it would be a tragedy to have an interruption in the construction program. But the people here have experienced consistent aid from you, and they are confident that the appropriation will be forthcoming.

It was understood and agreed that the budget amount would be appropriated.

Mr. Chairman, it would be poor economy to cut off $50,000 just as a matter of economy, because now that the work has started, it should be carried to completion.

I wish to read at this time a telegram received from the secretary of the Lewiston Orchards Active Business Men's Association, as follows:

We wish to ask your assistance for reinstating the $50,000 cut from the Lewiston Orchards supplementary appropriations. We feel this cut would delay construction program.

Mr. Chairman, I have another telegram from the manager of the Lewiston Orchards irrigation district, as follows:

Was notified supplemental appropriations for Lewiston Orchards was cut $50,000. This will again delay our project. Please help us get this restored.

Mr. Chairman, to give you a reason for the urgency of asking for this appropriation or that the additional amount be included, I read from a statement of the Lewiston Orchards project, as follows:

When the fiscal year 1949 appropriation requests were made, final designs had not been completed, and therefore an accurate estimate was impossible. All materials, such as steel and asbestos cement, pipe, valves, and other miscellaneous pipe fittings, have considerably increased in cost from a year ago. Construction bids received have been considerably higher than estimated.

All piping and valves have been ordered, and contracts for both the main pipe line and the distribution system have been awarded. In order to continue these contracts to completion without interruption, supplemental funds in fiscal year 1949 are required. Without additional funds, construction of the badly needed water-treatment plant must be postponed until fiscal year 1950.

Mr. Chairman, I am going to ask the Members of the House to accept my amendment and vote back this small amount in order to complete the program. It is poor economy to cut the amount when it was in the program originally. This money is reimbursable and is to be repaid by these people pursuant to contract entered into with the Bureau of Reclamation. I again ask the Members of the House to support my amendment to add this additional amount, bringing it back to the original sum in the budget.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Idaho [Mr. WHITE].

The amendment was rejected.

Mr. TOLLEFSON. Mr. Chairman, I move to strike out the last word.

(Mr. TOLLEFSON asked and was given permission to revise and extend his remarks.)

Mr. TOLLEFSON. Mr. Chairman, we have up for consideration today the first deficiency appropriation bill for 1949. This bill contains items for construction, operation, and maintenance for the Bonneville power transmission system in the sum of $7,500,000. Included in these items are sums for the main grid system to carry Grand Coulee power into the coastal load centers of Washington and Oregon, particularly the Puget Sound area and the Portland area, and items for the maintenance of work schedules on facilities for service within the Puget Sound area. These projects have heretofore been authorized and in 1948 appropriations were made for them. However, the actual cost of the construction of the transmission lines and facilities is approximately 20 percent greater than was estimated at the time the appropriations were made. It is apparent, therefore, that it will be absolutely impossible to complete these lines which are under construction, on schedule, with the money which was appropriated last year. If they are to be completed on time additional funds must be appropriated by this bill.

May I say to my colleagues that the completion of these and other key supply lines for the Puget Sound area is a matter of vital concern to the people of my area. During recent months there has been a definite shortage of power in the Pacific Northwest. There has been a considerable voluntary curtailment of use of power by the people. Notwithstanding this fact the demands for power are such that if they are not soon met the entire economy of the area will be seriously affected. Not only is the present situation serious but there is also urgent need for increased power in the months and years ahead. The Bonneville Power Administration is hard-put to keep up with its proposed schedules. If this deficiency appropriation is not granted the whole program will be handicapped and bogged down. May I say parenthetically that if the economy of the Pacific Northwest is affected so will that of the entire country. I trust that the Members will not view this matter as a particularly local issue. This is a Federal project which we in Congress have authorized and is one which we should push to completion according to schedule and as rapidly as possible. I

trust that you will vote favorably upon this appropriation.

Mr. FERNANDEZ. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, now that the Indians have made Mike Straus Engineer of the Wilderness, I want to revert back to the subject of Indians. I am going to make it brief.

Mr. Chairman, in the enactment of this deficiency bill, this Congress is being asked, without being fully advised as to the consequences, to make a most important policy decision affecting three States, the States of New Mexico and Arizona on the one hand, and the "Navajo-Hopi Reservation state," which comprises some 25,000 square miles equal in area to the States of Massachusetts, New Jersey, Connecticut, Delaware, and Rhode Island, all out together, on the other.

Since the enactment of this bill as now written will have serious repercussions in our dealings with the Indians, I hope the House will bear with me if I discuss the situation briefly.

At the outset, I must say that at every turn it has been the Indian Office in charge of these affairs which is responsible for these errors, and that the Congress cannot be blamed except perhaps for our failure to demand and obtain full and complete information. Even in that respect the Congress has done all it can in attempting to so demand information from the Indian Office, as I will point out in the course of my discussion. In the report of the committee on this very bill, the committee has reprimanded the Indian Office in the following strong terms which I quote:

> The committee will not here recount its comments on the maladministration in the Bureau of Indian Affairs brought to light in its report on the Department of the Interior appropriation bill for the fiscal year 1949. However, it does wish to serve notice that such testimony and lack of knowledge on the part of officials representing this service will not be tolerated in the future. Present funds available for the education program are adequate to meet requirements until at least the 1st of April and the committee will consider the matter further only when it is able to secure firm data on which to base a judgment.
>
> The committee is fully aware of the responsibilities of the Government to the Indians resident on reservations and is more than anxious to provide every dollar needed to discharge fully not only the recognized legal obligations, but also those obligations which humanitarian instincts dictate. It does not appear, however, that more than a passive appreciation of these problems is manifest by those whose responsibility it is to administer the laws passed by the Congress.

As early as June 1946 I appeared before the Committee on Appropriations to point out the intolerable and shameful situation existing in the Navajo-Hopi Reservations. I explain to the committee that though we understood the need for immediate action, my office had not the facilities to present facts and figures in detail, but that I was sure the Indian Office had done so. I quote a part of the record to show that the Indian Office seemed to be wholly unaware of the necessity for presenting the facts to the committee:

> Mr. FERNANDEZ * * * I appear before this committee today not asking anything for the voters of my State. I appear for the voteless and voiceless Indians of the Navajo country and their children. The situation with respect to the education of the children of the Navajo Indians is deplorable. The people of the State, all over the State, not only around the Navajo country but all over the State, are alarmed. I think it has reached, in my opinion, the proportions of a public scandal.
>
> I appear here more with a plea than as a witness. I assume that the facts have been carefully set out before the committee by the Office of Indian Affairs.
>
> Mr. JOHNSON of Oklahoma. Let me say to you right here that the committee has not been fully advised.

Shortly after the clamor for investigations grew so loud that magazines and newspapers sent correspondents to that area, and as a result of the findings made by those writers and by some subcommittees of the House and Senate half a million dollars was appropriated in a supplemental bill in the spring of 1948 to handle the situation until the 1st of July of that year. Added to that appropriation, the Red Cross made available an additional $100,000. Civic and charitable organizations and individual citizens undertook to send charity bundles to the reservation. All of these moneys and all of this help was used within that fiscal year, and it was not enough. Yet, in the face of that experience, when the Indian Office appeared before the committee asking for appropriations for the fiscal year 1949 they requested only $120,000.

When the bill came to this body I called the attention of the Congress to the situation, and I said:

> I am duty bound to call attention of the House to the fact that although the Committee approved every cent that was asked for the Navajo Indians for welfare work, $120,000, that, in my opinion, is not enough. The Department asked for only $120,000 and I am not blaming the committee for not allowing more; but the fact is that in this Congress year after year the Indian Office has not asked for near enough for that purpose. Consequently, last year, as you will recall, we had to appropriate supplemental funds to the tune of $500,000. That is going to happen again. I hope that by the time the bill gets to conference the committee will have the true facts presented independently of the Indian Office if necessary and that proper provision is timely made. The Indian Office in Washington may not know that they are insufficient—apparently they do not; but the superintendent of the reservation and all those who work in the reservation or have studied conditions out there know that $120,000 is not going to take care of the situation on the Navajo Indian Reservation. It seems that year after year a ceiling is placed on the total they can request, and the Washington Indian Office takes it out on the item of welfare and relief for Indians. It is time that somebody in that office had the courage to tell Congress what the superintendent out there tells us but is not allowed to tell Congress. I am tired of this, and have come to the conclusion that the reservation should be placed out of the hands of the Indian Office.

That bill went to the Senate and the Senate in its wisdom increased the appropriation for welfare by $750,000, making a total of $870,000, as I understand the record. In conference, the sum of $500,000 was agreed upon for welfare of the Navajo-Hopi Indians and the conference committee said in its report to the Indian Office:

> Conferees request that the Indian Bureau submit a report to the Congress early in the next regular session on conditions as to the general welfare of the Navajo and Hopi Indians.

It appears now that this demand on the part of the House through its conferees has been wantonly ignored. So far as I can find, no such report has been made. On the contrary, they came to the subcommittee handling this deficiency bill and they came wholly unprepared to answer the simplest questions. They requested funds for only three main items: First, $300,000 for increases in salaries under Public Law 900, which is self-explanatory; second, $550,000 to prevent closing of the schools on the Navajo-Hopi reservations; and, third, $385,000 for the welfare of Indians.

With respect to the item for schools they were so utterly confused and unprepared to answer that the committee very properly, in my opinion, refused to make a guess as to what they should be allowed for that in this deficiency bill. As to the item for welfare of Indians, they were as utterly confused and even more so. A reading of the hearings will convince anyone that the committee was completely disgusted with their presentation. They were requested to come back the next day and did no better. The subcommittee, nevertheless, in its anxiety to prevent human suffering, chose to err on the side of humanity and granted the full $385,000.

At the hearing of the main committee I undertook to congratulate the committee on its wisdom and generosity, notwithstanding the poor showing, in allowing this amount for welfare relief of Indians, and then for the first time, to my dismay and consternation, I found that not one dime of that money goes to either the Hopi or the Navajo Indians; that not one dime had been asked for that purpose and that only $60,000 included in the item designated as "Agency Services" had been requested. Turning to the testimony, I find, on page 178, the statement with respect to that request, which is as follows:

> Mr. PROVINSE. This is an emergency item which was brought about by the fact that many of the families that we had succeeded in obtaining employment for off of the reservation were cut off of their jobs because of the snow in southern California and southern Arizona. * * *
>
> * * * So this item was put in to cover the needs of those families who are trickling back to the reservation who are employable but who have no resources.

Both the States of New Mexico and Arizona directly and through the press in the months of December and January have been told that all welfare funds appropriated for the Navajo-Hopi Reservation have been exhausted and that they must take care of the Indians under social security. The States of New Mexico and Arizona in an attempt to

begin processing cases as best they can, though without funds with which to pay them, agreed early last year to process such applications as were referred to them and to certify them for payments by the Indian Office out of the half-million dollars made available by Congress, and this has been done to date. New Mexico and Arizona, since that agreement was reached, nearly a year ago, have certified 44 cases involving a little over a hundred individuals, on which about $3,800 has been paid. Two or three times that many have been referred back to the Indian Office for further investigation, and, mind you, these were to be paid not by the State but from the half-million dollars made available for that purpose by this Congress. Who has taken care of the rest of the thousands of other indigents, and where has the balance of the half-million dollars gone? If those funds are now exhausted, who is going to process and pay them?

Under date of February 4, 1949, the Secretary of the Interior addressed a letter to me, in which he says:

> This is to inform you that due to the exhaustion of available funds, I have been forced to notify our superintendents in New Mexico that no further allotments will be made them to make cash grants to those Indians whose applications for categorical assistance have been approved by the county welfare boards.

If those funds are exhausted, it was the duty of the Indian Office to so tell this Congress. Not one word was said about it to the deficiency appropriations committee.

I have now come to the point which makes this bill so important and so significant insofar as it affects the obligation of the Federal Government toward these unfortunate people.

To the two items of appropriations for the Indian Office on page 14 of the bill there are attached two innocent-looking provisos which appear for the first time in any appropriation bill. They were placed there in conformity with the language requested of the bureau and followed by that bureau.

The first item of $360,000 for agency services for the Navajo-Hopi Indians consists of $300,000 for increase of salaries under Public Law 900 and $60,000 for the relief of Navajo Indians. The testimony at the hearings makes it crystal clear that this amount of $60,000 is for able-bodied unemployed Indians who have been discharged from employment in California and elsewhere and are being repatriated, so to speak, to the reservation. The second item of $385,000 is for the welfare of Indians aside from the Navajo and Hopis, but including 23 other reservations in New Mexico comprising 15,000 Indians, and six in Arizona, comprising 20,000 Indians. Under the proviso, none of these monies can be made available to the blind, the aged, and dependent children.

I am not going to move to strike out these provisos because as I have repeatedly stated, so far as my State is concerned, it can in one way or another, take care of the 23 reservations other than the Navajos in the State of New Mexico, insofar as social-security payments for the aged, the blind, and the dependent children are concerned.

But I do want to call the attention of this Congress to the fact that these provisos were placed in the bill in a determined and direct attempt to force New Mexico and Arizona to take over the impossible burden of processing and footing all the needs of all the blind, the aged, and the dependent children in the Navajo reservation. Following that extreme and drastic policy, they have not requested any appropriations for the balance of this year to take care of those unfortunate people.

With all the power of the Federal Security Administrator to investigate and to enforce compliance by the States of New Mexico and Arizona, the officials in the executive department concerned have chosen rather this cruel and drastic course. Everyone who has looked into the situation has had to admit that it is a physical impossibility for either of the two States to carry on the processing and paying of social security to these unfortunate people until, by a gradual process which will take months and months and perhaps years, the two States can work out a system for the processing of those cases under the standards set for the balance of the State.

Mr. JENSEN. Mr. Chairman, will the gentleman yield?

Mr. FERNANDEZ. I yield to the gentleman from Iowa.

Mr. JENSEN. Does the gentleman mean that there is no money in this bill whatever for the aid of Navajo and Hopi Indians?

Mr. FERNANDEZ. Absolutely not one dime for the aid of the blind, the aged, and the dependent children. The $60,000 is only for those who were employed in California and were discharged, as the record fully shows, and this proviso makes it impossible to use any of that money for the Navajo blind, the aged, and dependent children; it was placed there specifically for that purpose.

Mr. JENSEN. The gentleman also knows that this request for funds for the Indians did not come before the regular subcommittee which deals with Indian problems, the Interior Department.

Mr. FERNANDEZ. It did not.

Mr. JENSEN. Consequently, the gentlemen who did handle it did not have all the facts which they should have had in order to appropriate and act properly on this matter.

Mr. FERNANDEZ. That is absolutely correct. This item came before the Deficiency Appropriations Subcommittee. I am not blaming the Deficiency Appropriations Subcommittee or the Committee on Appropriations. I am blaming the people who ought to be blamed, and that is the Indian Office that has again, as in the past it has again and again and again, failed to tell this Congress the true story about the Navajo Reservation.

Mr. JENSEN. Is not the gentleman going to offer an amendment to include the Hopis and the Navajos in this overall appropriation that we are making here today for Indians?

Mr. FERNANDEZ. I would not offer an amendment to that effect, because that would be unfair to the other Indians outside of the Navajo Reservation. This money has been appropriated for the other Indians outside the Navajo Reservation, and the Navajo Reservation has been cut off at the pockets in order to punish Arizona and New Mexico. The Indian Office and the Bureau of the Budget, and all those responsible for this shortsighted and cruel policy, are putting this Congress in a most untenable position, one which will go down in history as unworthy of this great House.

The legislature in the State of New Mexico is now in session, but even if it found the money to increase those funds for that purpose, those funds would not be available before the end of this fiscal year. As shown by the number of cases so far certified in the attempt of the two States to take over this burden, the peremptory saddling of this burden on these two States, so far as the Navajo-Hopi Reservations are concerned, will be a tragedy of the first magnitude for the unfortunate Navajo and Hopi Indians.

New Mexico is and has been at all times able, willing, and ready to undertake that burden as to the 23 other pueblos and reservations within its borders, comprising some 15,000 Indians. I am certain that Arizona is able to undertake that burden insofar as it affects the six reservations, other than the Hopi-Navajo people, constituting approximately 20,000 Indians. It will be an exceedingly heavy burden on these two sparsely settled States with small resources, but it would not be a tragedy to the Indians as in the case of the Navajos.

Insofar as the Navajo-Hopi Reservation is concerned, however, the task is, I repeat, physically impossible. The result will be that only a few of these will be paid, and those cases will probably be situated on the outer edges of the reservation, whereas the Indians who need it most within the interior of the reservation will go uncared for and unnoticed. There are no towns or villages in the 25,000 square miles of reservation, which, as I have said before, is equivalent to the area in Massachusetts, New Jersey, Connecticut, Delaware, and Rhode Island put together. The State has no place for a staff to live in and contact the needy cases within the interior of the reservation, such as the Indian Office necessarily has; the reservation consists of 25,000 square miles of wilderness populated by Indians living in hogans and moving about with their hogans constantly. The Navajo Reservation in point of Indian population, with its 60,000 Indians, is 6 times larger than the largest reservation anywhere in the country. The next largest is the consolidated Chippewa in Minnesota with 10,570, according to the report of the Department for 1945, page 80. The next in order are in South Dakota, Pine Ridge with 9,029, and Rosebud with 8,532; and the next in population is the Kiowa in Oklahoma with 7,780.

The States of New Mexico and Arizona have absolutely no jurisdiction over the Indian population within the reservation. Marriages and divorces are not subject to the State law. The Indian Office records are inadequate even to check up on the legitimate children, much less on the rampant illegitimacy throughout the

reservation. This Government has completely failed these Indians in the most rudimentary of their social needs, and now they propose we slough off the whole mess to the States of New Mexico and Arizona.

This blow is aimed at those States, but it will fall on the Indians. This tragedy may teach New Mexico and Arizona a lesson—and I think that is the purpose—but it will cost the Federal Government far more money than the present arrangement, unsatisfactory as it is, and it will not do the job. The Indian Service of necessity has to have personnel over the reservation in processing the able-bodied and other noneligible indigents, and in its Indian placement services, its health service, its soil-conservation service, and so forth, and, of necessity, has contact, unsatisfactory as that is, with the Indians in the interior of the reservation. It would be far better if the relief to the blind, the aged, and dependent children were administered by them as at present.

This bill is the first nail in the coffin of many hundreds, and perhaps thousands, of destitute, blind, aged, and needy children. It is another big nail in the skeleton closet of the shameful history of neglect and mistreatment of the Navajo Indians which they have consistently endured, notwithstanding the promises made to them when they were released from their imprisonment camp at Fort Sumner.

After the Government has completely failed in rehabilitating the Indians, completely failed in the passage of the long-term program recommended by both the Senate and House committees last year, we are now asked to take the first step in salving our conscience by turning these unfortunate humans over to inadequately equipped States for care.

I want to say at this point that I again lay the blame for the failure of the bill last year to the officials in the Indian Office. This bill, after it had been reported by both the House and Senate and actually passed by the Senate, was killed because of an adverse report from the Indian Office. When that adverse report came before the committee I took the floor and described the situation in language as strong and as clear as my humble efforts could produce. That statement, made on June 8, 1948, beginning at page 7651 of the RECORD for the second session of the Eightieth Congress, is as follows, and I repeat it now because it ought to be repeated in this connection:

Mr. FERNANDEZ. Mr. Speaker, I heartily commend the gentleman from California [Mr. WELCH], chairman of the Public Lands Committee, and the gentleman from Montana [Mr. D'EWART], chairman of the Indian Affairs Subcommittee as well as the Republican steering committee, for their decision Friday to push enactment of the Navajo Indian legislation before Congress adjourns. Following their action Friday, it was my understanding that the Navajo bill would be called up today under unanimous consent or by a suspension of the rules. Though the primary election is in progress in New Mexico today, I flew back to Washington yesterday, only to find this morning that the Indian Office has filed an adverse report to the D'Ewart bill.

I have heretofore restrained myself because of my affection for Secretary Krug and Under Secretary Warne, who are sincere men, but this action on the part of the Indian Office shocks me beyond further restraint. I must speak out. Is it possible that the Indian Office is more interested in putting this Congress on the spot so that it can be blamed for failure to act? I do not believe in playing politics at the expense of hungry and destitute people.

The bill reported out by the committee is right in line with Secretary Krug's recommendations. It authorizes the full $25,000,000 requested for the construction of schools, school dormitories and other educational facilities. It authorizes $100,000 per year to promote employment of Navajo Indians off the reservation; it authorizes $250,000 per year for the relief of disabled and dependent Navajo Indians; it authorizes $228,000 for health improvement, and $1,000,000 per year for the construction of roads. All of this is right in line with the recommendations of Secretary Krug.

True, this does not at one stroke authorize the entire 10-year $90,000,000 program, and because it does not do so the Indian Office objects to the enactment of this bill. This arbitrary and dilatory attitude is unreasonable and likely to result in no action at all.

Heretofore in the summer of 1946, nearly $1,000,000 was appropriated for the building of two Navajo schools. To this date, not a handful of dirt has been turned and not a nail has been driven in the construction of those two schools. Chicago architects were hired, as if there were none competent in New Mexico and Arizona, and the whole matter is still tangled up by the red tape and dilatory attitude of the Washington Indian Office. Under the circumstances, objection to the House bill on the grounds that it does not authorize the entire program, including airports and modern coal bins and all, comes with poor grace.

The D'Ewart bill should be taken up as promptly as possible. I hope this is done before this week ends, and that it is passed and enacted into law before the adjournment of Congress. I go further and say that either Acting Commissioner Zimmerman and Educational Director Beatty should be discharged for their delay in carrying out the mandate of Congress as expressed in the appropriation bill in 1946, or else the Navajo Reservation should be taken from under their jurisdiction and their inaction. The Congress is not in position to discharge the men responsible for the neglect of this tribe, but it can and should emancipate the Navajo from the lethargy of this Bureau. Congress can pass legislation whereby a man of vigor and action can be selected to administer the long-delayed rehabilitation and education of these people. A bill to do that very thing is now pending in the Senate and I sincerely hope that Mr. D'EWART's bill and the Senate bill are combined and are enacted into law before we adjourn.

Mr. MURDOCK. Mr. Speaker, will the gentleman yield?

Mr. FERNANDEZ. I yield to the gentleman from Arizona.

Mr. MURDOCK. Mr. Speaker, I would like to make this observation. The gentleman from New Mexico had some very complimentary things to say about the chairman of the Committee on Public Lands and also about the chairman of the Subcommittee on Indian Affairs.

Mr. FERNANDEZ. And I say they deserve it, too.

Mr. MURDOCK. They do deserve it, and for that reason I wanted to second what the gentleman said in that respect. I want to say further, Mr. Speaker, that the gentleman from New Mexico himself has been untiring in his efforts to get the kind of legislation for which he now pleads. That was shown quite eloquently last November when we had temporary legislation before us, and at that time the gentleman from New Mexico time after time stressed the need of a permanent piece of legislation that would rehabilitate this great Navajo Indian Tribe. I am in accord with the gentleman in wanting a proper long-range plan.

Mr. FERNANDEZ. I thank the gentleman. I have also been very patient. I have not spoken out, although I did tell the committee what I knew about the details regarding the building of those two schoolhouses. Now they come in here with this report. If they had criticized our committee for not giving them the full amount requested, I would not have anything to say, but when they come in and say, "Do not enact this bill," when they know full well or ought to know full well that if we are not going to enact this bill we will not at this late date get anything, that is the last stroke.

Mr. BARRETT. Mr. Speaker, will the gentleman yield?

Mr. FERNANDEZ. I yield to the gentleman from Wyoming.

Mr. BARRETT. I want to commend the gentleman for his courageous statement on this matter. We are all very deeply interested in the welfare of the Indians of the country, and the gentleman from New Mexico has always fought valiantly for the Indians of his State.

Mr. FERNANDEZ. I thank the gentleman.

Mr. BARRETT. In my opinion, our Committee on Public Lands has not had the proper cooperation from the Indian Bureau. I hope that some way may be arrived at whereby we can secure more adequate information and better reports and more active cooperation from the Indian Bureau.

Mr. FERNANDEZ. As far as getting information about the Navajo Reservation is concerned, I do not think we will ever get it until we have a man responsible at the head of that reservation, instead of trying to channel everything through the Indian Office in Washington.

Mr. D'EWART. Mr. Speaker, will the gentleman yield?

Mr. FERNANDEZ. I yield to the gentleman from Montana.

Mr. D'EWART. I in turn want to compliment the gentleman from New Mexico on bringing this matter to the attention of the Congress. Certainly the situation on he Navajo and the Hopi Reservations is something that is a disgrace to the Nation. We have made treaties with these people under which we are supposed to do certain things. We have fallen down in the carrying out of those treaties. During this session we have held extensive hearings on the situation in the Navajo Reservation. As a result of those hearings, various bills were introduced. The one to which the gentleman from New Mexico refers is the one that is being pressed for enactment at this time and has been voted out unanimously by our House Committee on Public Lands.

Mr. FERNANDEZ. The gentleman will agree with me, I am sure, that it is the beginning of the very program Secretary Krug has recommended.

Mr. D'EWART. That is right. It is not the intention of the committee that this shall be the final word on this problem, but it is a step in the right direction. I think this goes along and is in accord with the recommendations of the Bureau. I regret very much that they have seen fit to send up an adverse report on this necessary legislation. I hope we may not pay too much attention to that report, but can get favorable action in this session on this bill, which will be a step in taking care of this very, very bad situation.

Mr. FERNANDEZ. I am sure Congress will do what is right, regardless of the report.

Mr. POULSON. Mr. Speaker, will the gentleman yield?

Mr. FERNANDEZ. I yield to the gentleman from California.

Mr. POULSON. As I recall, when this bill was brought before the full Committee on Public

Lands this very statement was made, that this was the first step in the general over-all program and approach to settling this very delicate and serious problem as far as the Indians are concerned.

Mr. FERNANDEZ. Yes. I think the committee is very properly putting first things first in this bill. If we authorize the whole $90,000,000, what assurance have we that they will handle that any better than the $1,000,000 we gave them 2 years ago, with which they have done nothing up to date?

Mr. POULSON. I do not believe there is a single committee in the House that works any harder than the Subcommittee on Indian Affairs, of which the gentleman is one of the very able members.

Mr. FERNANDEZ. I am sorry to say that in this particular matter we have not accomplished very much so far because of the lack of a cooperative attitude on the part of the Indian Office in Washington. What has been done is due to the untiring efforts of men like the gentleman from California, and the chairman of the subcommittee, the gentleman from Montana [Mr. D'EWART].

(Mr. FERNANDEZ asked and was given permission to revise and extend his remarks.)

Mr. MANSFIELD. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, the bill now before us, H. R. 2632, contains therein an appropriation of $2,500,000 for emergency flood-control work on the Columbia. Of this amount, $150,000 has been allocated for flood-control work on the Clarks Fork of the Columbia in the vicinity of Orchard Homes, Missoula, Mont.

The Corps of Engineers is cognizant of the extreme danger which faces the Orchard Homes area this winter and spring and has urged that this amount of money be approved. Maj. Gen. R. C. Crawford, Acting Chief of Engineers, has assured me in a letter, under date of February 10, 1949, that if this fund is approved they will proceed promptly with such remedial measures in the vicinity of Orchard Homes as are consistent with existing authority and the funds provided by Congress.

In behalf of the people in the Orchard Homes area, I urge the House to pass this appropriation immediately. I fear, even now, what may happen in the meantime, and I pray that we will not be too late in giving this assistance to the people of my district who need it so much.

The people of Orchard Homes are looking to us for assistance, and as their Representative in the Congress of the United States I urge you to heed their request and pass this appropriation promptly.

(Mr. MANSFIELD asked and was given permission to revise and extend his remarks.)

The CHAIRMAN. There being no further amendments, under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. COOPER, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (H. R. 2632) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1949, and for other purposes, pursuant to House Resolution 99, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

The question is on the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

Mr. SADLAK. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. SADLAK. I am, Mr. Speaker.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. SADLAK moves to recommit the bill to the Committee on Appropriations with instructions to report the same back forthwith with the following amendment: Page 6, line 24, strike out "$4,987,000" and insert in lieu thereof "$14,000,000."

Mr. KERR. Mr. Speaker, I move the previous question on the motion to recommit.

The previous question was ordered.

The SPEAKER. The question is on the motion to recommit.

Mr. SADLAK. On that, Mr. Speaker, I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 148, nays 237, not voting 48, as follows:

[Roll No. 14]

YEAS—148

Allen, Calif.	Hall,	Nelson
Anderson, Calif.	Edwin Arthur	Nicholson
Andresen,	Hall,	Nixon
August H.	Leonard W.	Norblad
Angell	Hand	O'Hara, Minn.
Arends	Harden	Patterson
Auchincloss	Harvey	Pfeiffer,
Barrett, Wyo.	Herter	William L.
Bates, Mass.	Heselton	Philbin
Beall	Hill	Phillips, Calif.
Bennett, Mich.	Hinshaw	Phillips, Tenn.
Bishop	Hoeven	Plumley
Blackney	Holmes	Potter
Bolton, Ohio	Hope	Rankin
Bramblett	Horan	Reed, Ill.
Brehm	Hull	Reed, N. Y.
Brown, Ohio	James	Rees
Byrnes, Wis.	Javits	Rich
Canfield	Jenison	Riehlman
Case, N. J.	Jennings	Rogers, Mass.
Case, S. Dak.	Jensen	Sadlak
Chiperfield	Johnson	St. George
Church	Jonas	Sanborn
Clevenger	Kean	Scott, Hardie
Cole, Kans.	Kearney	Scott,
Cole, N. Y.	Kearns	Hugh D., Jr.
Corbett	Keating	Scrivner
Cotton	Keefe	Scudder
Crawford	Kunkel	Secrest
Dague	Lane	Short
Davis, Wis.	Latham	Simpson, Ill.
D'Ewart	LeCompte	Simpson, Pa.
Dolliver	LeFevre	Smith, Kans.
Dondero	Lichtenwalter	Smith, Wis.
Donohue	Lodge	Stockman
Ellsworth	McConnell	Taber
Elston	McCulloch	Talle
Engel, Mich.	McDonough	Tollefson
Fellows	McGregor	Van Zandt
Fenton	McMillen, Ill.	Velde
Ford	Mack, Wash.	Vorys
Fulton	Macy	Vursell
Furcolo	Marcantonio	Wadsworth
Gamble	Martin, Iowa	Welch, Calif.
Gavin	Martin, Mass.	Werdel
Gillette	Merrow	Wigglesworth
Golden	Meyer	Wilson, Ind.
Goodwin	Michener	Wolcott
Graham	Miller, Md.	Wolverton
Gwinn	Morton	Wood
Hale	Murray, Wis.	Woodruff

NAYS—237

Abernethy	Garmatz	Murphy,
Addonizio	Gary	Murray, Tenn.
Albert	Gathings	Noland
Andersen,	Gilmer	Norrell
H. Carl	Gordon	Norton
Andrews	Gore	O'Brien, Ill.
Aspinall	Gorski, Ill.	O'Brien, Mich.
Bailey	Gorski, N. Y.	O'Hara, Ill.
Barden	Gossett	O'Konski
Baring	Granahan	O'Neill
Barrett, Pa.	Granger	O'Sullivan
Bates, Ky.	Grant	Pace
Battle	Green	Passman
Beckworth	Gregory	Patman
Biemiller	Gross	Patten
Blatnik	Hagen	Perkins
Bloom	Hardy	Peterson
Boggs, La.	Hare	Pfeifer,
Bolling	Harris	Joseph L.
Bolton, Md.	Harrison	Pickett
Bonner	Hart	Poage
Bosone	Havenner	Polk
Boykin	Hays, Ark.	Powell
Breen	Hays, Ohio	Preston
Brooks	Hébert	Price
Brown, Ga.	Hedrick	Priest
Bryson	Herlong	Quinn
Buchanan	Hobbs	Rabaut
Buckley, Ill.	Holifield	Rains
Buckley, N. Y.	Howell	Redden
Burdick	Huber	Regan
Burke	Jackson, Wash.	Rhodes
Burleson	Jacobs	Rivers
Burton	Jones, Ala.	Rodino
Byrne, N. Y.	Jones, Mo.	Rogers, Fla.
Camp	Jones, N. C.	Rooney
Cannon	Karst	Sabath
Carnahan	Karsten	Sadowski
Carroll	Kee	Sasscer
Cavalcante	Kelley	Sims
Celler	Kennedy	Smathers
Chatham	Keogh	Smith, Va.
Chelf	Kerr	Spence
Chesney	Kilburn	Staggers
Christopher	Kilday	Stanley
Chudoff	King	Steed
Clemente	Kirwan	Stefan
Coffey	Klein	Stigler
Combs	Kruse	Sullivan
Cooley	Lanham	Sutton
Cooper	Larcade	Tackett
Cox	Lemke	Tauriello
Crook	Lesinski	Teague
Crosser	Lind	Thomas, Tex.
Davenport	Lovre	Thompson
Davies, N. Y.	Lyle	Thornberry
Davis, Ga.	Lynch	Trimble
Davis, Tenn.	McCarthy	Underwood
Dawson	McCormack	Vinson
Deane	McGrath	Wagner
Delaney	McGuire	Walsh
Denton	McKinnon	Walter
Dollinger	McSweeney	Welch, Mo.
Doughton	Mack, Ill.	Wheeler
Douglas	Madden	White, Calif.
Doyle	Magee	White, Idaho
Durham	Mahon	Whitten
Eberharter	Mansfield	Whittington
Elliott	Marsalis	Wier
Engle, Calif.	Marshall	Williams
Evins	Miller, Calif.	Willis
Fallon	Miller, Nebr.	Wilson, Okla.
Feighan	Mills	Wilson, Tex.
Fernandez	Mitchell	Winstead
Fisher	Monroney	Withrow
Flood	Morgan	Woodhouse
Fogarty	Morris	Yates
Forand	Moulder	Young
Frazier	Multer	Zablocki
Fugate	Murdock	

NOT VOTING—48

Abbitt	Eaton	Poulson
Allen, Ill.	Halleck	Ramsay
Allen, La.	Heffernan	Riblcoff
Bennett, Fla.	Hoffman, Ill.	Richards
Bentsen	Hoffman, Mich.	Shafer
Bland	Irving	Sheppard
Boggs, Del.	Jackson, Calif.	Sikes
Bulwinkle	Jenkins	Smith, Ohio
Burnside	Judd	Somers
Carlyle	Linehan	Taylor
Colmer	Lucas	Thomas N. J.
Coudert	McMillan, S. C.	Towe
Cunningham	Mason	Welchel
Curtis	Miles	Whitaker
DeGraffenried	Morrison	Wickersham
Dingell	O'Toole	Worley

So the motion to recommit was rejected.

The Clerk announced the following pairs:

On this vote:

Mr. Burnside for, with Mr. Whitaker against.

Mr. Hoffman of Michigan for, with Mr. Sikes against.

Mr. Shafer for, with Mr. deGraffenried against.

Mr. Jenkins for, with Mr. Irving against.

Mr. Coudert for, with Mr. Bentsen against.

Mr. Halleck for, with Mr. Dingell against.

Mr. Towe for, with Mr. Bennett of Florida against.

Mr. Smith of Ohio for, with Mr. Abbitt against.

Mr. Weichel for, with Mr. Carlyle against.

Mr. Hoffman of Illinois for, with Mr. Heffernan against.

Mr. Eaton for, with Mr. Colmer against.

Mr. Allen of Illinois for, with Mr. O'Toole against.

Mr. Taylor for, with Mr. McMillan of South Carolina against.

General pairs until further notice:

Mr. Worley with Mr. Boggs of Delaware.

Mr. Richards with Mr. Cunningham.

Mr. Morrison with Mr. Jackson of California.

Mr. Ribicoff with Mr. Judd.

Mr. Linehan with Mr. Mason.

Mr. Lucas with Mr. Curtis.

Mr. DONOHUE, Mr. LANE, Mr. PHILBIN, and Mr. MARCANTONIO changed their votes from "nay" to "yea."

The result of the vote was announced as above recorded.

The SPEAKER. The question is on the passage of the bill.

Mr. KERR. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 367, nays 19, not voting 47, as follows:

[Roll No. 15]

YEAS—367

Abernethy	Burdick	Dolliver
Addonizio	Burke	Dondero
Albert	Burleson	Donohue
Allen, Calif.	Burton	Doughton
Andersen, H. Carl	Byrne, N. Y.	Douglas
	Byrnes, Wis.	Doyle
Anderson, Calif.	Camp	Durham
Andresen, August H.	Canfield	Eberharter
	Cannon	Elliott
Andrews	Carnahan	Ellsworth
Angell	Carroll	Elston
Arends	Case, N. J.	Engel, Mich.
Aspinall	Case, S. Dak.	Engle, Calif.
Auchincloss	Cavalcante	Evins
Balley	Celler	Fallon
Barden	Chatham	Feighan
Barlng	Chelf	Fellows
Barrett, Pa.	Chesney	Fenton
Barrett, Wyo.	Chlperfield	Fernandez
Bates, Ky.	Chrlstopher	Fisher
Battle	Chudoff	Flood
Beall	Church	Fogarty
Beckworth	Clemente	Forand
Bennett, Mich.	Coffey	Ford
Biemlller	Cole, Kans.	Frazier
Bishop	Combs	Fugate
Blackney	Cooley	Fulton
Blatnik	Cooper	Furcolo
Bloom	Corbett	Gamble
Boggs, La.	Cotton	Garmatz
Bolling	Cox	Gary
Bolton, Md.	Crook	Gathlngs
Bolton, Ohio	Crosser	Gavin
Bonner	Dague	Gillette
Bosone	Davenport	Gilmer
Bramblett	Davies, N. Y.	Golden
Breen	Davis, Ga.	Goodwin
Brehm	Davis, Tenn.	Gordon
Brooks	Davis, Wis.	Gore
Brown, Ga.	Dawson	Gorski, Ill.
Brown, Ohio	Deane	Gorski, N. Y.
Bryson	Delaney	Gossett
Buchanan	Denton	Graham
Buckley, Ill.	D'Ewart	Granahan
Buckley, N. Y.	Dollinger	Granger
Grant	McConnell	Reed, N. Y.
Green	McCormack	Rees
Gregory	McCulloch	Regan
Gross	McDonough	Rhodes
Gwinn	McGrath	Richards
Hagen	McGregor	Rlehlman
Hall, Edwin Arthur	McGuire	Rivers
	McKinnon	Rodino
Hall, Leonard W.	McMillen, Ill.	Rogers, Fla.
	McSweeney	Rogers, Mass.
Hand	Mack, Ill.	Rooney
Harden	Mack, Wash.	Sabath
Hardy	Madden	Sadowski
Hare	Magee	St. George
Harrls	Mahon	Sasscer
Harrison	Mansfield	Scott, Hardie
Hart	Marcantonio	Scott, Hugh D., Jr.
Harvey	Marsalis	
Havenner	Marshall	Scudder
Hays, Ark.	Martin, Iowa	Secrest
Hays, Ohlo	Martin, Mass.	Sheppard
Hébert	Merrow	Short
Hedrick	Meyer	Simpson, Ill.
Herlong	Michener	Sims
Herter	Miller, Calif.	Smathers
Heselton	Miller, Md.	Smlth, Kans.
Hill	Miller, Nebr.	Smith, Va.
Hinshaw	Mills	Spence
Hobbs	Mitchell	Staggers
Hoeven	Monroney	Stanley
Hollifield	Morgan	Steed
Holmes	Morris	Stefan
Hope	Morton	Stigler
Horan	Moulder	Stockman
Howell	Multer	Sullivan
Huber	Murdock	Sutton
Hull	Murphy	Tackett
Jackson, Wash.	Murray, Tenn.	Talle
Jacobs	Murray, Wis.	Taurlello
James	Nelson	Teague
Javits	Nixon	Thomas, Tex.
Jennings	Noland	Thompson
Johnson	Norblad	Tollefson
Jonas	Norrell	Trimble
Jones, Ala.	Norton	Underwood
Jones, Mo.	O'Brien, Ill.	Van Zandt
Jones, N. C.	O'Brien, Mich.	Velde
Karst	O'Hara, Ill.	Vinson
Karsten	O'Hara, Minn.	Vorys
Kearney	O'Konski	Vursell
Kearns	O'Neill	Wagner
Keating	O'Sullivan	Walsh
Kee	Pace	Walter
Keefe	Passman	Welch, Calif.
Kelley	Patman	Welch, Mo.
Kennedy	Patten	Werdel
Keogh	Patterson	Wheeler
Kerr	Perkins	White, Calif.
Kilday	Peterson	White, Idaho
King	Pfeifer, Joseph L.	Whitten
Kirwan		Whittington
Klein	Pfeiffer, William L.	Wickersham
Kruse		Wier
Kunkel	Philbln	Wigglesworth
Lane	Phillips, Calif.	Williams
Lanham	Phillips, Tenn.	Willis
Larcade	Pickett	Wilson, Ind.
Latham	Poage	Wilson, Okla.
LeCompte	Polk	Wilson, Tex.
LeFevre	Potter	Winstead
Lemke	Powell	Withrow
Leslnski	Preston	Wolcott
Lichtenwalter	Price	Wolverton
Lind	Priest	Wood
Lodge	Quinn	Woodhouse
Lovre	Rabaut	Worley
Lucas	Rains	Yates
Lyle	Rankin	Young
Lynch	Redden	Zablocki
McCarthy	Reed, Ill.	

NAYS—19

Bates, Mass.	Kilburn	Simpson, Pa.
Clevenger	Macy	Smith, Wis.
Crawford	Nicholson	Taber
Hale	Plumley	Wadsworth
Jenlson	Rlch	Woodruff
Jensen	Sanborn	
Kean	Scrivner	

NOT VOTING—47

Abbitt	DeGraffenried	O'Toole
Allen, Ill.	Dingell	Poulson
Allen, La.	Eaton	Ramsay
Bennett, Fla.	Halleck	Riblcoff
Bentsen	Heffernan	Sadlak
Bland	Hoffman, Ill.	Shafer
Boggs, Del.	Hoffman, Mich.	Sikes
Boykin	Irving	Smlth, Ohio
Bulwinkle	Jackson, Calif.	Somers
Burnside	Jenkins	Taylor
Carlyle	Judd	Thomas, N. J.
Cole, N. Y.	Linehan	Thornberry
Colmer	McMillan, S. C.	Towe
Coudert	Mason	Welchel
Cunningham	Miles	Whitaker
Curtis	Morrison	

So the bill was passed.

The Clerk announced the following pairs:

Additional general pairs:

Mr. Morrison with Mr. Eaton.

Mr. Whitaker with Mr. Allen of Illinois.

Mr. Bentsen with Mr. Coudert.

Mr. Heffernan with Mr. Halleck.

Mr. Burnside with Mr. Hoffman of Michigan.

Mr. Colmer with Mr. Towe.

Mr. Irving with Mr. Sadlak.

Mr. O'Toole with Mr. Boggs of Delaware.

Mr. Sikes with Mr. Cole of New York.

Mr. McMillan of South Carolina with Mr. Cunningham.

Mr. Dingell with Mr. Curtis.

Mr. Carlyle with Mr. Hoffman of Illinois.

Mr. deGraffenried with Mr. Jackson of California.

Mr. Abbitt with Mr. Jenkins.

Mr. Ribicoff with Mr. Judd.

Mr. Linehan with Mr. Taylor.

Mr. Bennett of Florida with Mr. Shafer.

Mr. Allen of Louisiana with Mr. Welchel.

Mr. Boykin with Mr. Smith of Ohio.

Mr. Bland with Mr. Mason.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERMISSION TO ADDRESS THE HOUSE

Mr. FLOOD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania [Mr. FLOOD]?

There was no objection.

LITHUANIA

Mr. FLOOD. Mr. Speaker, one of the most shameful and least publicized events of the twentieth century was the dastardly conspiracy of the Kremlin against Russia's good little neighbor, Lithuania. The political police of the vast Soviet Union, holding in subjection 180,000,000 people, launched in peacetime a scheme directed at the physical extermination of millions of Lithuanian Christians.

However, Mr. Speaker, I rise today to pay tribute to the history and glory of the brave people of that brave nation of Lithuania, nestled on the shores of the Baltic Sea. Never has there been greater proof that the United States of America remains loyal to her friends than the fact that this great leader of democracy still recognizes as a sovereign power the Republic of Lithuania, and denies and refuses to recognize the illegal and outrageous attempt on the part of Soviet Russia to annex Lithuania as a province of the Soviet.

I think it proper at this time that I say a word about the recognition of Lithuania by the United States.

When Lithuania was incorporated into the Soviet Union on July 21 of 1940, we and a large number of western countries felt that this was not done voluntarily, and refused to recognize this incorporation as legal. Thereby Lithuania was allowed to retain her diplomatic representatives in these countries. Two days after Lithuania's annexation to the Soviet Union the then Acting Secretary of State—Sumner Welles—clarified the position of this country in a press release which read:

During these past few days the devious processes whereunder the political independ-

81ST CONGRESS
1ST SESSION

H. R. 2632

IN THE SENATE OF THE UNITED STATES

FEBRUARY 17, 1949

Read twice and referred to the Committee on Appropriations

AN ACT

Making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1949, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, to supply supplemental appropriations for the fiscal year ending June 30, 1949, and for other purposes, namely:

LEGISLATIVE BRANCH

SENATE

OFFICE OF THE VICE PRESIDENT

For the expense allowance of the Vice President, fiscal year 1949, from January 20 to June 30, $4,500.

CONTINGENT EXPENSES OF THE SENATE

Vice President's Automobile

For an additional amount for "Vice President's automobile," $2,500.

HOUSE OF REPRESENTATIVES

For payment to Temple W. West, widow of Milton H. West, late a Representative from the State of Texas, $12,500.

For payment to Lotti S. Delaney, widow of John J. Delaney, late a Representative from the State of New York, $12,500.

CONTINGENT EXPENSES OF THE HOUSE

Miscellaneous Items

Notwithstanding the provisions of the Treasury Department Appropriation Act, 1949, the appropriation for "Miscellaneous items" for the House of Representatives in the Legislative Branch Appropriation Act, 1949, shall be available for purchase of new or used typewriters at prices which

do not exceed prices established under the provisions of the Treasury Department Appropriation Act, 1949.

ARCHITECT OF THE CAPITOL

CAPITOL BUILDING, SENATE AND HOUSE ROOFS AND CHAMBERS

Capitol Building: For an additional amount to enable the Architect of the Capitol to carry forward the improvements affecting the House Wing of the Capitol authorized by the Second Deficiency Appropriation Act of June 27, 1940 (54 Stat. 629), as amended by the Acts of June 8, 1942 (56 Stat. 342), and July 17, 1945 (59 Stat. 472), $2,274,500. The Architect of the Capitol is authorized to enter into contracts, including cost-plus-a-fixed-fee contracts as approved by the Special Committee on Reconstruction of House Roof and Skylights and Remodeling of House Chamber, and to make such other expenditures as may be necessary for the improvements affecting the House Wing of the Capitol authorized by such Acts, in such amounts as may be approved by the House committee appointed under section 1 of the Act of July 17, 1945, notwithstanding the provisions of section 2 of that Act: *Provided*, That the amounts so approved by such committee

may be obligated in full prior to the actual appropriation thereof.

THE JUDICIARY

Miscellaneous Items of Expense

FEES OF JURORS

For an additional amount for "Fees of jurors", $300,000.

General Provisions

Notwithstanding the provisions of the Treasury Department Appropriation Act, 1949, appropriations in the Judiciary Appropriation Act, 1949, available for miscellaneous expenses or for salaries and expenses shall be available for purchase of new or used typewriters at prices which do not exceed prices established under the provisions of the Treasury Department Appropriation Act, 1949.

EXECUTIVE OFFICE OF THE PRESIDENT

Compensation of the President

For an additional amount, fiscal year 1949, for "Compensation of the President" from January 20 to June 30, including an expense allowance at the rate of $50,000 per annum, as authorized by Public Law 2, approved January 19, 1949, $33,437.52.

OFFICE OF DEFENSE TRANSPORTATION

SALARIES AND EXPENSES

For an additional amount for "Salaries and expenses", $95,000; and the limitation under this head in the Supplemental Independent Offices Appropriation Act, 1949, on the amount available for travel expenses is increased from "$54,000" to "$65,000": *Provided*, That the appropriation under said head shall remain available until June 30, 1949: *Provided further*, That the sum of $60,000 made available under said head exclusively for terminal leave payments shall be available for any of the purposes specified under said head.

INDEPENDENT OFFICES

DISPLACED PERSONS COMMISSION

For an additional amount for "Displaced Persons Commission", $1,200,000; and the limitation under this head in the Second Deficiency Appropriation Act, 1948, on the purchase of passenger motor vehicles, is increased from "fifteen" to "thirty-five".

FEDERAL SECURITY AGENCY

BUREAU OF EMPLOYEES' COMPENSATION

Administrative Expenses, War Claims Act

For administrative expenses necessary for performing the duties imposed upon the Federal Security Administrator by the War Claims Act of 1948 (Public Law 896, approved July 3, 1948), $35,000, to be derived from the war claims fund created by section 13 (a) of said Act and to be advanced to and consolidated with the appropriation for "Salaries and expenses" under the Bureau of Employees' Compensation in the Federal Security Agency Appropriation Act, 1949.

Employees' Compensation Fund

For an additional amount for "Employees' compensation fund", $3,400,000.

SOCIAL SECURITY ADMINISTRATION

Grants to States for public assistance

For an additional amount for "Grants to States for public assistance", $151,000,000.

Grants to States for Unemployment Compensation and Employment Service Administration

For an additional amount for "Grants to States for unemployment compensation and employment service administration", $10,000,000.

HOUSING AND HOME FINANCE AGENCY

FEDERAL HOUSING ADMINISTRATION

The amount made available under this head in the Government Corporations Appropriation Act, 1949, for administrative expenses of the Federal Housing Administration, is increased from "$19,000,000" to "$23,000,000"; and the sources of funds for such administrative expenses shall include the housing investment insurance fund created by the Housing Act of 1948.

HOUSING EXPEDITER

SALARIES AND EXPENSES

For an additional amount for "Salaries and expenses, Office of the Housing Expediter", $4,800,000.

NATIONAL CAPITAL HOUSING AUTHORITY

MAINTENANCE AND OPERATION OF PROPERTIES

For an additional amount for "Maintenance and operation of properties", $3,300.

TENNESSEE VALLEY AUTHORITY

For an additional amount for "Tennessee Valley Authority", $2,950,000, to remain available until expended; and the limitation under this head in title I of the Government Corporations Appropriation Act, 1949, on the amount available for capital expenditures, is increased from "$21,689,000" to "$24,639,000": *Provided*, That the

limitation under this head in title II of the Government Corporations Appropriation Act, 1949, on the amount available for administrative and general expenses of the Corporation, is increased from "$3,677,000" to "$3,988,000", and the limitation therein on the use for such purposes of funds appropriated by title I of said Act is hereby repealed.

THE TAX COURT OF THE UNITED STATES

SALARIES AND EXPENSES

The limitation imposed by section 104 of the Independent Offices Appropriation Act, 1949, on the amount available for travel expenses under this head, is increased from "$20,000" to "$26,000".

VETERANS' ADMINISTRATION

NATIONAL SERVICE LIFE INSURANCE

For an additional amount for "National service life insurance", $55,000,000, to remain available until expended.

SOLDIERS' AND SAILORS' CIVIL RELIEF

For an additional amount for "Soldiers' and sailors' civil relief", $190,000, to remain available until expended.

VETERANS' MISCELLANEOUS BENEFITS

For an additional amount for "Veterans' miscellaneous benefits", $44,189,000, to remain available until expended.

WAR ASSETS ADMINISTRATION

SALARIES AND EXPENSES, SPECIAL FUND

For an additional amount for "Salaries and expenses, War Assets Administration, special fund", $12,500,000, to be derived from the special fund account in the Treasury as provided for in the First Deficiency Appropriation Act, 1946: *Provided*, That all funds appropriated under this head for the fiscal year 1949 shall be available during the entire fiscal year: *Provided further*, That notwithstanding the provisions of any other law, not to exceed $4,000,000 of the proceeds of the disposal of surplus property or deductions from proceeds otherwise collectible as a result of the disposal of such property shall be available for such costs of renovation, restoration, rehabilitation, improvement, and repair of industrial facilities, as may be contracted for during the fiscal year 1949 if required for purposes of national defense or for the protection of the public or of private property from the effects of the operation of such facilities: *Provided further*, That the effective date for abolishing the office of the War Assets Administrator, terminating the existence of the War Assets Administration, and transferring to other Federal agencies its responsibility for

disposal of property declared surplus prior to July 1, 1948, as prescribed by the Supplemental Independent Offices Appropriation Act, 1949, is hereby changed from "February 28, 1949", to "June 30, 1949", or such earlier date as may be established by legislation enacted during the first session of the Eighty-first Congress.

DEPARTMENT OF AGRICULTURE

Office of Information

PRINTING AND BINDING

The limitation under this head in the Department of Agriculture Appropriation Act, 1949, on the amount which may be transferred to this appropriation from other appropriations of the Department of Agriculture, is increased from "$145,000" to "$170,500".

Agricultural Research Administration

BUREAU OF ENTOMOLOGY AND PLANT QUARANTINE

Control of Emergency Outbreaks of Insects and Plant Diseases

For an additional amount for "Control of emergency outbreaks of insects and plant diseases", $1,000,000.

Production and Marketing Administration

CONSERVATION AND USE OF AGRICULTURAL LAND RESOURCES

For an additional amount for "Conservation and use of agricultural land resources", for formulating and carrying

out programs under the Agriculutral Adjustment Act of 1938, as amended, including cotton and wheat marketing quota programs, $9,734,500; and the limitation under this head in the Department of Agriculture Appropriation Act, 1949, on the amount available during the fiscal year 1949 for salaries and other administrative expenses, is increased from "$24,500,000" to "$34,234,500"; and the limitation under said head on the amount available for transfer to the appropriation account "Administrative expenses, section 392, Agricultural Adjustment Act of 1938", is increased from "$7,000,000" to "$8,284,000".

Commodity Credit Corporation

administrative expenses, commodity credit corporation

The limitation under this head in the Department of Agriculture Appropriation Act, 1949, on the amount available for administrative expenses of the Corporation, is increased from "$7,575,000" to "$10,814,700".

DEPARTMENT OF COMMERCE

Office of the Secretary

voluntary agreements

For an additional amount for "Voluntary agreements", $190,000.

BUREAU OF THE CENSUS

CENSUS OF BUSINESS

For an additional amount for "Census of business", $11,000,000, to remain available until December 31, 1951; and appropriations under this head shall be available for health service programs as authorized by law (5 U. S. C. 150), and for compensation of employees of the Department of Commerce and other departments and independent agencies of the Government who may be detailed for field work.

CIVIL AERONAUTICS ADMINISTRATION

CLAIMS, FEDERAL AIRPORT ACT

For reimbursement, in accordance with section 17 of the Federal Airport Act, as amended, to public agencies for necessary rehabilitation and repair to public airports damaged by Federal agencies, $1,227,140, to remain available until June 30, 1953, as follows: Greensboro-High Point Airport, Greensboro, North Carolina, $197,813; Buffalo Municipal Airport, Buffalo, New York, $594,344; Nantucket Airport, Nantucket, Massachusetts, $57,582; Detroit-Wayne Major Airport, Wayne County, Michigan, $168,689; Adams Field, Little Rock Municipal Airport, Little Rock, Arkansas, $187,072; and Galveston Municipal Airport, Galveston, Texas, $21,640.

COAST AND GEODETIC SURVEY

SALARIES AND EXPENSES, FIELD

For an additional amount for "Salaries and expenses, field", $290,000.

BUREAU OF FOREIGN AND DOMESTIC COMMERCE

EXPORT CONTROL

For an additional amount for "Export control", $1,000,000; and limitations under this head in the Second Deficiency Appropriation Act, 1948, on amounts available for transfer to other appropriations are increased as follows: Bureau of Customs, from "$1,350,000" to "$1,500,000".

DEPARTMENT OF THE INTERIOR

OFFICE OF THE SECRETARY

EXPENSES, POWER TRANSMISSION FACILITIES

For an additional amount for "Expenses, power transmission facilities", $131,000.

BONNEVILLE POWER ADMINISTRATION

CONSTRUCTION, OPERATION, AND MAINTENANCE

For an additional amount for "Construction, operation and maintenance, Bonneville power transmission system", $6,047,800, to remain available until expended; and the limitation under this head in the Interior Department Appropriation Act, 1949, on expenses for operation and mainte-

nance of the Bonneville transmission system, is increased from "$3,231,800" to "$3,521,600"; and the limitations under said head on force account activities and on salaries and expenses in connection with informational work are hereby repealed: *Provided*, That, in addition to the contract authorization contained under said head, the Administrator is authorized to contract in the fiscal year 1949 for materials, equipment, and services for power transmission facilities in an amount not in excess of $1,452,200.

Bureau of Indian Affairs

navajo and hopi service

Agency Services

For an additional amount for "Agency services", $360,000: *Provided*, That after the approval of this Act no payment shall be made from this appropriation to Indians who are eligible for benefit payments under the Social Security Act.

welfare of indians

For an additional amount for "Welfare of Indians", $385,000: *Provided*, That after the approval of this Act no payment shall be made from this appropriation to Indians who are eligible for benefit payments under the Social Security Act.

BUREAU OF RECLAMATION

FORCE ACCOUNT WORK

That part of the Interior Department Appropriation Act, 1949, which reads "not exceeding 8 per centum of the construction appropriation for any project under the Bureau of Reclamation contained in this Act shall be available for construction work by force account, or on a hired labor basis, except for projects or items the estimated construction cost of which does not exceed $200,000, and only then in cases where the Bureau of Reclamation finds the lowest bids to be excessive" is hereby repealed.

GENERAL FUND

Construction

For additional amounts for "Construction", to remain available until expended, as follows:

Davis Dam project, Arizona-Nevada, $4,500,000;

Colorado-Big Thompson project, Colorado, $1,800,000;

Columbia Basin project, Washington, $4,500,000.

Missouri River Basin

For an additional amount for "Missouri River Basin," reimbursable to the extent and as provided in the Act of December 22, 1944 (58 Stat. 887), $4,500,000, to remain available until expended.

RECLAMATION FUND

The following sums are appropriated out of the reclamation fund created by the Act of June 17, 1902, as follows:

General Offices

Salaries and expenses (other than project offices)

For an additional amount for "Salaries and expenses (other than project offices)", $260,000: *Provided,* That in addition to the amount appropriated under this head in the Interior Department Appropriation Act, 1949, there shall be available for expenditure under said head any sums transferred thereto for work performed or to be performed for the benefit of specific projects or undertakings for which other funds or appropriations of the Bureau of Reclamation are available; and the first, fourth, and fifth provisos under said head are hereby repealed.

Effective January 31, 1949, the proviso under this head in the Interior Department Appropriation Act, 1949, which reads: "*Provided further,* That after January 31, 1949, no part of any appropriation for the Bureau of Reclamation contained in this Act shall be used for the salaries and expenses of a person in any of the following positions in the Bureau of Reclamation, or of any person who performs the duties of any such position, who is not a qualified

engineer with at least five years' engineering and administrative experience: (1) Commissioner of Reclamation; (2) Assistant Commissioner of Reclamation; and (3) Regional Director of Reclamation—" is hereby repealed.

Construction

For additional amounts for "Construction", to remain available until expended, as follows:

Boise project, Idaho, Payette division, $275,000;

Lewiston Orchards project, Idaho, $300,000;

Provo River project, Utah, $400,000, of which $215,000 is for the payment of obligations incurred under authority provided under this head in the Interior Department Appropriation Act, 1948.

Operation and Maintenance

Colorado-Big Thompson project, Colorado

For an additional amount for "Colorado-Big Thompson project", from power revenues, $52,000.

North Platte project, Nebraska-Wyoming

For an additional amount for "North Platte project, Nebraska-Wyoming", from power revenues, $17,500.

Kendrick project, Wyoming

For an additional amount for "Kendrick project, Wyoming", from power revenues, $131,000.

Emergency Fund

For establishing an emergency fund as authorized by the Act of June 26, 1948 (Public Law 790), $1,000,000, to remain available until expended for the purposes specified in said Act.

NATIONAL MILITARY ESTABLISHMENT

Department of the Army—Civil Functions

corps of engineers

Rivers and Harbors and Flood Control

The limitation under this head in the Civil Functions Appropriation Act, 1949, on the amount available for payment of salaries in the Office of the Chief of Engineers, is increased from "$1,250,000" to "$1,341,740".

Rivers and Harbors

Maintenance and improvement of existing river and harbor works

For an additional amount for "Maintenance and improvement of existing river and harbor works", $10,500,000, to remain available until expended.

Flood Control

Flood control, general

For an additional amount for "Flood control, general", $14,000,000, to remain available until expended.

Flood control, general (emergency fund)

For an additional amount for "Flood control, general (emergency fund)", as authorized by the Flood Control Act of 1948 (Public Law 858, approved June 30, 1948), $2,500,000, to remain available until expended.

POST OFFICE DEPARTMENT

(Out of Postal Revenues)

Field Service, Post Office Department

OFFICE OF THE POSTMASTER GENERAL

Damage Claims

For an additional amount for "Damage claims", $250,000.

OFFICE OF THE SECOND ASSISTANT POSTMASTER GENERAL

Railroad Transportation and Mail Messenger Service

For an additional amount for "Railroad transportation and mail messenger service", $70,000,000.

Railway Mail Service, Travel Allowance

For an additional amount for "Railway mail service, travel allowance", $2,727,000.

Foreign Air Mail Service

For an additional amount for "Foreign air mail service", $17,000,000.

OFFICE OF THE FOURTH ASSISTANT POSTMASTER GENERAL

Vehicle Service

For an additional amount for "Vehicle service", $13,000,000.

TREASURY DEPARTMENT

Fiscal Service

BUREAU OF ACCOUNTS

Payment of Certified Claims

For an additional amount for "Payment of certified claims", $2,300,000.

Refund of Moneys Erroneously Received and Covered

For an additional amount for "Refund of moneys erroneously received and covered", $800,000.

Bureau of Engraving and Printing

SALARIES AND EXPENSES

For an additional amount, fiscal year 1949, for "Salaries and expenses", $1,500,000.

Bureau of the Mint

SALARIES AND EXPENSES

For an additional amount for "Salaries and expenses", $250,000: *Provided,* That appropriations under this head for the fiscal year 1949 shall be available for paying wage increases effective from the date of approval by the Treasury Department.

SEC. 2. No part of any appropriation contained in

this Act shall be used to pay the salary or wages of any person who engages in a strike against the Government of the United States or who is a member of an organization of Government employees that asserts the right to strike against the Government of the United States, or who advocates, or is a member of an organization that advocates, the overthrow of the Government of the United States by force or violence: *Provided,* That for the purposes hereof an affidavit shall be considered prima facie evidence that the person making the affidavit has not contrary to the provisions of this section engaged in a strike against the Government of the United States, is not a member of an organization of Government employees that asserts the right to strike against the Government of the United States, or that such person does not advocate, and is not a member of an organization that advocates, the overthrow of the Government of the United States by force or violence: *Provided further,* That any person who engages in a strike against the Government of the United States or who is a member of an organization of Government employees that asserts the right to strike against the Government of the United States, or who advocates, or who is a member of an organization that advocates, the overthrow of the Government of the United States by force or violence and accepts employment the salary or wages for which are paid from any appropriation

contained in this Act shall be guilty of a felony and, upon conviction, shall be fined not more than $1,000 or imprisoned for not more than one year, or both: *Provided further,* That the above penalty clause shall be in addition to, and not in substitution for, any other provisions of existing law.

SEC. 3. The provision in the Treasury Department Appropriation Act, 1949, which places a limit on the price which may be paid for such typewriters as may be purchased under the Act shall not apply to the purchase of office-type machines which are designed and constructed primarily to compose and print master copies for quantity reproduction by another process.

SEC. 4. This Act may be cited as the "First Deficiency Appropriation Act, 1949".

Passed the House of Representatives February 16, 1949.

Attest: RALPH R. ROBERTS,

Clerk.

81ST CONGRESS
1ST SESSION

H. R. 2632

AN ACT

Making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1949, and for other purposes.

FEBRUARY 17, 1949

Read twice and referred to the Committee on Appropriations

81ST CONGRESS
1ST SESSION

H. R. 2632

IN THE SENATE OF THE UNITED STATES

FEBRUARY 25 (legislative day, FEBRUARY 21), 1949
Referred to the Committee on Appropriations and ordered to be printed

AMENDMENT

Intended to be proposed by Mr. STENNIS to the bill (H. R. 2632) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1949, and for other purposes, viz:

On page 10, line 20, strike out the figure "$1,000,000" and insert in lieu thereof the figure "$1,350,000".

2-25-49——D

81ST CONGRESS
1ST SESSION

H. R. 2632

AMENDMENT

Intended to be proposed by Mr. STENNIS to the bill (H. R. 2632) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1949, and for other purposes.

FEBRUARY 25 (legislative day, FEBRUARY 21), 1949
Referred to the Committee on Appropriations and ordered to be printed

81ST CONGRESS
1ST SESSION

H. R. 2632

IN THE SENATE OF THE UNITED STATES

FEBRUARY 28 (legislative day, FEBRUARY 21), 1949

Referred to the Committee on Appropriations and ordered to be printed

AMENDMENT

Intended to be proposed by Mr. TAYLOR to the bill (H. R. 2632) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1949, and for other purposes, viz:

On page 17, line 9, strike out "$300,000" and insert "$350,000".

2-28-49——D

81ST CONGRESS
1ST SESSION

H. R. 2632

AMENDMENT

Intended to be proposed by Mr. TAYLOR to the bill (H. R. 2632) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1949, and for other purposes.

FEBRUARY 28 (legislative day, FEBRUARY 21), 1949
Referred to the Committee on Appropriations and ordered to be printed

81ST CONGRESS
1ST SESSION

H. R. 2632

IN THE SENATE OF THE UNITED STATES

MARCH 18, 1949

Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. FERGUSON to the bill (H. R. 2632) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1949, and for other purposes, the following amendment, viz: After the paragraph under the caption "Tennessee Valley Authority" insert the following:

Any Federal taxpayer or any consumer of electric energy, neither of whom is supplied with electric energy produced by the Tennessee Valley Authority, may, and is hereby authorized to, institute and maintain an action against the Tennessee Valley Authority in the United States District Court for the District of Columbia to enjoin the expenditure of any funds herein appropriated for the construction of any steam electric generating plant by the Tennessee Valley

Authority and to enjoin the construction of said plant or plants as being contrary to law: *Provided*, That such an action shall not be maintained unless the complaint is filed within three months from the date when the Act making the appropriation becomes effective. Service may be made upon the Tennessee Valley Authority by delivering a copy of the summons and of the complaint to any officer, or agent of the Tennessee Valley Authority at the office of said Authority in the District of Columbia or by sending a copy of the summons and of the complaint by registered mail to the Tennessee Valley Authority at Knoxville, Tennessee. The provisions of sections 1253, 2101, 2282, and 2284 of new title 28, Judiciary and Judicial Procedure, shall be applicable to such an action.

It is the intention of this provision to vest in such Federal taxpayers and consumers of electric energy the private substantive right to be protected against unlawful expenditures of Federal funds and the unlawful construction of steam plants by the Tennessee Valley Authority, and to permit the action herein authorized for the protection of the public and for the protection of such private substantive right.

81ST CONGRESS
1ST SESSION

H. R. 2632

AMENDMENT

Intended to be proposed by Mr. FERGUSON to the bill (H. R. 2632) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1949, and for other purposes.

MARCH 18, 1949
Ordered to lie on the table and to be printed

81st CONGRESS
1st SESSION

H. R. 2632

IN THE SENATE OF THE UNITED STATES

MARCH 18, 1949

Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. GURNEY to the bill (H. R. 2632) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1949, and for other purposes, the following amendment, viz: On page 10, after line 5, insert the following:

MOTOR CARRIER CLAIMS COMMISSION

SALARIES AND EXPENSES

For expenses necessary for the Motor Carrier Claims Commission established by the Act of July 2, 1948 (Public Law 880), including personal services in the District of Columbia, travel expenses, printing and binding, and services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a), $50,000: *Provided*, That section 6 of the aforesaid Act of July 2, 1948, as amended, is further

amended by striking out the words "nine months" and inserting in lieu thereof the words "fifteen months", and section 13 of said Act, as amended, is further amended by striking out the words "nine months' period" and inserting in lieu thereof the words "fifteen months' period".

81ST CONGRESS
1ST SESSION

H. R. 2632

AMENDMENT

Intended to be proposed by Mr. GURNEY to the bill (H. R. 2632) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1949, and for other purposes.

MARCH 18, 1949
Ordered to lie on the table and to be printed

Calendar No. 120

81st Congress, 1st Session | SENATE | Report No. 138

FIRST DEFICIENCY APPROPRIATION BILL, 1949

March 22 (legislative day, March 18), 1949.—Ordered to be printed

Mr. McKellar, from the Committee on Appropriations, submitted the following

REPORT

[To accompany H. R. 2632]

The Committee on Appropriations, to whom was referred the bill (H. R. 2632) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1949, and for other purposes, report the same to the Senate with various amendments and present herewith information relative to the changes made.

Amount of bill as passed House	$471, 895, 177. 52
Amount added by Senate, including $53,376,571.07 from supplemental and deficiency estimates sent to the Senate after bill passed the House	66, 558, 296. 07
Amount of bill as reported to Senate	538, 453, 473. 59
Total estimates considered by the Senate (contained in House Documents Nos. 35, 38, 40, 44, 50, 54, 58, and 93, and in Senate Documents Nos. 12, 13, 14, 15, 17, 18, 19, 22, 23, 24, and 26)	564, 183, 148. 59
The bill is under the estimates	25, 729, 675. 00

Budget Estimates and Committee Action

The House considered in connection with this bill deficiency and supplemental estimates totaling $480,884,577.52, allowing appropriations totaling $471,895,177.52, or an amount $8,989,400 below the total estimates considered by the House.

The Senate committee considered deficiency and supplemental estimates totaling $564,183,148.59, allowing appropriations totaling $538,453,473.59, or an amount $25,729,675 below the total estimates considered by the committee, but $66,558,296.07 above the total appropriations approved by the House.

However, subsequent to passage of the bill by the House, deficiency and supplemental estimates totaling $69,876,571.07 were sent to the Senate. Of this amount, the committee has recommended approval of $53,376,571.07. Thus, of the total increase of $66,558,296.07 proposed by the committee, a total of $53,376,571.07 is contained in estimates that were not before the House but which came to the Senate after passage of the bill by the House. This $53,376,571.07 of estimates sent to the Senate and approved by the committee includes the following major items: $17,500,000 for emergency flood control necessitated by the heavy snows in the western part of the United States; $22,700,571.07 for claims for damages, audited claims and judgments; $5,400,000 for renovation and modernization of the Executive Mansion; $3,000,000 for the operation and maintenance of schools under the Bureau of Community Facilities, Federal Works Agency; and $4,000,000 for grants to States for unemployment compensation and employment service administration, Federal Security Agency.

Of the total increase of $66,558,296.07 proposed by the committee, $53,376,571.07 is accounted for as indicated above from supplemental and deficiency estimates sent to the Senate following passage of the bill by the House, $4,150,000 represents restorations of reductions made by the House (restoration totaling $7,232,200 having been requested), $8,359,000 is estimated for in House Document 93 as an amount for payment to the Choctaw and Chickasaw Nations of Indians, Oklahoma, which was received by the House after passage of the first deficiency bill, 1949, and $672,725 is accounted for by items for which there are no budget estimates. The $672,725 of unbudgeted items approved by the committee is divided as follows: $43,725 for the legislative branch, including $37,500 for widows or other heirs of deceased Members, $20,000 for the Joint Committee on Nonessential Federal Expenditures, $600,000 for the Bureau of Indian Affairs, including $550,000 to continue welfare assistance to Indians in the States of Arizona and New Mexico, and including $50,000 for the care of Indian tubercular patients in the State of Minnesota; and $9,000 for the Corps of Engineers for deepening the small-boat harbor at Havre de Grace, Md.

The table appearing in the back of this report gives a comparative statement of the amounts of the budget estimates and of the amounts recommended to be appropriated.

FEDERAL SECURITY AGENCY

Grants to States for Unemployment Compensation and Employment Service Administration

The estimate considered by the House for this appropriation was in the amount of $4,987,000, which amount was approved by the House committee. On the floor of the House, the amount was increased to $10,000,000, or an increase over the House committee figure of $5,013,000.

The estimate before the House committee, $4,987,000, was based upon State salary scales in effect in November 1948, and upon estimates of work load made before the recent substantial rise in unemployment.

The committee was advised that since the original estimate of $4,987,000 was submitted to the House, certain State legislatures have taken action raising the pay of State employees, and also that the work load of the State employment security agencies, particularly in claims-taking activities, has materially increased.

In view of this situation, a further estimate was sent to the Senate while the bill was under consideration by the committee. The estimate received by the Senate is in the amount of $14,000,000, which represents a net increase in the estimate for this appropriation of $9,013,000 inasmuch as the $14,000,000 figure includes the original amount of $4,987,000 submitted to the House in House Document 44.

The committee has approved the entire estimate of $14,000,000, which represents a net increase of $4,000,000 over the amount of $10,000,000 allowed by the House.

Of the $14,000,000 recommended by the committee, $4,000,000 is set up as a contingent fund as proposed in the budget estimate sent to the Senate. This $4,000,000 fund is to be used only upon determination of the Federal Security Administrator, with the approval of the Director of the Bureau of the Budget, that unanticipated increases in work load or State salaries have occurred since February 1, 1949. In this connection, the committee recommend that the following language be added to the bill:

, of which $4,000,000 shall be available only upon determination by the Federal Security Administrator, with the approval of the Director of the Bureau of the Budget, that increased costs have resulted either from (1) increases in work load, or (2) increases in salaries of State employees, occurring after February 1, 1949

FEDERAL WORKS AGENCY

Public Buildings Administration

RENOVATION AND MODERNIZATION, EXECUTIVE MANSION

The committee has approved a supplemental estimate in the amount of $5,400,000, contained in Senate Document 12, for renovation and modernization of the Executive Mansion.

Attention is directed to testimony at the Senate hearing by the Federal Works Administrator that in the plan for renovation and modernization of the Executive Mansion the outside appearance of the structure will not be changed and the outside walls will be left as they are now. It is the sense of the committee with respect to the use of the word "modernization" in the paragraph providing for this appropriation that the proposed work will be carried out without change of the present architectural appearance of the exterior of the Executive Mansion or the interior of its main floor.

The amendment as recommended by the committee includes language in a proviso which requires that any cost-plus-a-fixed-fee general construction contract entered into in pursuance of this appropriation shall be awarded on competitive bidding among responsible general contractors upon the amount of the fixed fee to accrue from the performance of such contract. Language is also included in another proviso to the effect that with the exception of the subcontract to be made by the general contractor for the underpinning and foundation work and work incidental and appurtenant thereto, which may be a cost-plus-a-fixed-fee contract, all other subcontracts made by the

general contractor shall be fixed-price contracts awarded on competitive bids received from responsible subcontractors.

The committee is insistent on the provisos contained in the language of this appropriation because it feels that there are many contractors in our country who will be proud to bid on and do the work of modernizing for future generations of our citizens this historic mansion of which we are all so proud and which we want to maintain as a home for our Presidents and a shrine for our people.

The complete text of the provision as agreed to by the committee reads as follows:

Federal Works Agency

public buildings administration

Renovation and Modernization, Executive Mansion

For all expenses necessary for and incident to the renovation, repair, and modernization (without change of present architectural appearance of the exterior of the Mansion or the interior of its main floor) of the Executive Mansion, including the preparation of drawings and specifications, and the purchase of furniture, furnishings, and equipment, without regard to section 3709 of the Revised Statutes or the civil-service and classification laws, $5,400,000, to remain available until expended: Provided, That any cost-plus-a-fixed-fee general construction contract entered into in pursuance of this authority shall be awarded on competitive bidding among responsible general contractors upon the amount of the fixed fee to accrue from the performance of such contract: Provided further, That with the exception of the subcontract to be made by the general contractor for the underpinning and foundation work and work incidental and appurtenant thereto, which may be a cost-plus-a-fixed-fee contract, all other subcontracts made by the general contractor shall be fixed-price contracts awarded on competitive bids received from responsible subcontractors.

Bureau of Community Facilities

operation and maintenance of schools

The committee has approved the supplemental estimate of $3,000,000 contained in Senate Document 18 as an additional amount for "Maintenance and operation of schools" under the Bureau of Community Facilities.

The authorization for this program is contained in Public Law 839, Eightieth Congress, second session, approved June 29, 1948. The authorization was in the amount of $6,000,000 and was for the fiscal year 1949 only. Congress appropriated $3,000,000 of the $6,000,000 authorization in the Second Deficiency Appropriation Act, 1949, approved June 25, 1948, and the $3,000,000 proposed for inclusion in the present deficiency bill is the remainder of the $6,000,000 authorization for the current fiscal year.

In recommending this additional $3,000,000, the committee does so with instructions to the Federal Works Agency that it survey and examine most carefully the requests made for assistance under this program and with the understanding that there is to be no solicitation of opportunities to make contributions to local school districts under this program.

The assistance given under this program started as a wartime activity. Assistance to local education is given in varying forms and under different authority of law by such agencies as the Bureau of Community Facilities, the Corps of Engineers, the Department of the

Army, the Department of the Air Force, the Department of the Navy, the Atomic Energy Commission, and the Reclamation Bureau.

The committee directs the attention of the proper legislative committees to this problem while those committees have under consideration the matter of Federal aid to education. If the Federal Government is to allow agencies of the Government to grant Federal assistance to local school authorities, a definite policy should be adopted by the Congress. Any program to be followed by the Federal Government along this line should be a coordinated one and uniform for all agencies affected.

HOUSING AND HOME FINANCE AGENCY

Federal Housing Administration

The estimate for this Agency as contained in House Document 44 proposed that the amount for administrative expenses be increased from $19,000,000 to $23,800,000. The bill as passed by the House allows an increase from $19,000,000 to $23,000,000. The committee recommend that the increase be from $19,000,000 to $23,800,000, as proposed in the budget estimate.

The Housing Act of 1948, approved August 10, 1948, added new programs and amended old programs of the Federal Housing Administration, creating a work load not provided for in the 1949 administrative expense authorization.

The Supplemental Appropriation Act, 1948, approved August 13, 1948, authorized the Federal Housing Administration to operate on a limited deficiency basis in order to handle the additional work load occasioned by the 1948 Housing Act. The increase of $4,800,000 proposed in the budget estimate and approved by the committee includes $3,370,000 for additional expenses incident to the 1948 Housing Act and $1,430,000 for administrative pay increases comparable with those authorized by Public Law 900, Eightieth Congress, second session, approved July 3, 1948.

This item for administrative expenses is not a direct appropriation inasmuch as administrative expenses are paid from the following funds of the Federal Housing Administration: (1) The mutual mortgage insurance fund; (2) the housing insurance fund; (3) the account in the Treasury comprised of funds derived from premiums collected under authority of section 2 (f), title I of the National Housing Act, as amended; (4) the war housing insurance fund; and (5) the housing investment insurance fund.

Public Housing Administration

The committee recommend that the following provisions be added to the bill:

"*The second proviso in the paragraph under the heading 'Federal Public Housing Authority' in title I of the Government Corporations Appropriation Act, 1948, is hereby repealed as of July 1, 1947.*

"*The second proviso in the paragraph under the heading 'Public Housing Administration' in title I of the Government Corporations Appropriation Act, 1949, is hereby repealed as of July 1, 1948.*"

The 1948 Government Corporations Appropriation Act, under the Federal Public Housing Authority, carried the following proviso, which the first paragraph of the above provision proposes to repeal:

: *Provided further*, That no part of this appropriation shall be used to pay any public housing agency any contribution occasioned by payments in lieu of taxes in excess of the amount specified in the original contract between such agency and the Federal Public Housing Authority

The 1949 Government Corporations Appropriation Act, under the Public Housing Administration, carried the following proviso, which the second paragraph of the above amendment proposes to repeal:

: *Provided further*, That no part of this appropriation shall be used to pay any public housing agency any contribution occasioned by payments in lieu of taxes in excess of the amount specified in the original contract between such agency and the Public Housing Administration or its predecessor agencies

Section 504 of Senate bill 1070, which has been reported by the Senate Banking and Currency Committee, proposes to repeal the two provisos referred to in the 1948 and 1949 Government Corporations Appropriation Acts.

In view of this pending legislation in S. 1070, Mr. John T. Egan, Commissioner, Public Housing Administration, testified that while the question remains under consideration by the Congress, the officials of the Public Housing Administration did not believe the agency should authorize any further voluntary payments in lieu of taxes in excess of contracted amounts or approve any further provisions in contracts, which would increase the amount of such payments.

He stated, therefore, that it should be understood that if the two provisos referred to are repealed in the pending deficiency appropriation bill the agency proposes to interpret such repeal to do no more than—

(1) To authorize payments in lieu of taxes in respect to project fiscal years for which the annual contributions were payable during the fiscal years ending June 30, 1948, and June 30, 1949, in the full amounts provided for in valid cooperation agreements, whether original or revised, in effect July 1, 1947, between local public housing agencies and the political subdivisions in which the projects are located or in the resolutions or ordinances of such political subdivisions in effect on such dates; and

(2) To validate such voluntary payments in lieu of taxes in respect to the said project fiscal years as have heretofore been made with the approval of the Public Housing Administration.

The estimated cost to result from the repeal of the two provisos in question is approximately $300,000, involving 21 projects. The committee was advised that no appropriation is required to meet this additional cost since there is enough left out of the moneys already appropriated by the 1948 and 1949 Government Corporations Appropriation Acts for the payment of the additional contributions that will be necessitated by the repeal of the two provisos referred to.

HOUSING EXPEDITER

Salaries and Expenses

The budget estimate for this appropriation for the remainder of the current fiscal year was in the amount of $7,450,000.

The House allowed an appropriation of $4,800,000, a reduction of $2,650,000 under the budget estimate, for continuing this activity

during the months of April and May 1949. Of the $4,800,000 allowed by the House, the committee was advised that $1,200,000 is for Pay Act increases, $280,000 is for the veterans' affairs program, and $3,320,000 is for rent control.

The House committee in its report stated in part as follows:

> The budget estimate of $7,450,000, considered by the committee, contemplated the enactment of additional legislation; more specifically, the features contained in H. R. 1731. It is the sense of the committee that appropriations cannot be made on such indeterminate grounds since neither the committee nor the Administration knows exactly in just what form this legislation will be finally enacted. It would appear, however, that some type of legislation covering this activity will be passed. The amount included in the accompanying bill will enable the Expediter to continue operations pending the enactment of this legislation and, in addition, afford adequate time for the formulation of revised-budget estimates based on facts and requirements of the law as extended and amended. The appropriation recommended will enable the Expediter to continue operations at the present level.

The Senate committee has approved the amount of $4,800,000 allowed by the House with the understanding that $3,600,000 included in this amount for the rent control program and the veterans' affairs program will be used for terminal leave payments and liquidation purposes in the event these programs are not continued by legislation.

The committee accordingly recommend that the following provision be added to the bill:

, of which $3,600,000 is contingent upon the enactment of legislation continuing rent control beyond March 31, 1949: Provided, That if rent control and veterans' preference requirements under the Housing and Rent Act of 1947, as amended, are not extended by legislation beyond March 31, 1949, the said sum of $3,600,000 is hereby made available on account and in part payment of liquidation expenses, including terminal leave, of the Office of the Housing Expediter.

MOTOR CARRIER CLAIMS COMMISSION

The committee has approved the full amount of the budget estimate for the Motor Carrier Claims Commission and recommend that this item be included in the bill. This Commission was established and its work authorized by the act of July 2, 1948 (Public Law 880), but an appropriation has not been made. The amount recommended by the committee is to permit commissioners to be appointed and the Commission to organize, determine its requirements for administrative expenses for the fiscal year 1950, and to receive claims as authorized by Public Law 880. The claims which the Commission will pass upon arise from losses allegedly sustained by certain motor carrier transportation systems as a result of requisition in 1944 and operation by the Federal Government as a war measure. There were 103 of these carriers, and they were all returned to private operation by November 1, 1945. Awards are to be paid in the same manner as is provided for a final judgment by the Court of Claims.

Section 6 of the Motor Carrier Claims Commission Act (Public Law 880) provided that the Commission shall receive claims for a period of 6 months after the date of enactment of the act. In the Supplemental Appropriation Act, 1949, the "six months" was amended to read "nine months." In view of the delay in setting up the Commission, and in approving an appropriation of $50,000 as the initial appropriation for the Commission, the committee recommend that the "nine months" be amended to read "fifteen months."

WAR CLAIMS COMMISSION

The War Claims Act of 1948 (Public Law 896), approved July 3, 1948, establishes the War Claims Commission, headed by three Commissioners whose appointments are subject to Senate approval, and creates a trust fund known as the war claims fund into which the net proceeds of certain vested enemy property shall be deposited at the earliest practicable date. In addition to handling certain claims within the purview of the act, the Commission is directed by the act to inquire into and report to the President on various classes of claims arising out of World War II. The committee recommend that the date for filing this report be changed from "March 31, 1949," as provided in the War Claims Act of 1948, to "December 31, 1949."

The committee has approved the full amount of the budget estimate, $100,000 for administrative expenses of the War Claims Commission to provide funds for the organization of the Commission and its operations during the remainder of the current fiscal year. The $100,000 is to be derived from the war claims fund created by section 13 (a) of the War Claims Act of 1948.

The committee has also approved a provision on payment of claims, which provision is required to authorize such payments from the war claims fund by the Secretary of the Treasury pursuant to the provisions of the War Claims Act of 1948, and solely on the basis of certifications by the War Claims Commission or the Federal Security Administrator.

INTERIOR DEPARTMENT

Bureau of Indian Affairs

NAVAJO AND HOPI SERVICE AND WELFARE OF INDIANS

Under the appropriations "Navajo and Hopi service" and "Welfare of Indians," the bill as passed by the House carries the following provisos:

: *Provided*, That after the approval of this Act no payment shall be made from this appropriation to Indians who are eligible for benefit payments under the Social Security Act

The committee recommended that this proviso be deleted in both instances, that the appropriation for "Navajo and Hopi service" be increased by $400,000 in order to provide welfare assistance for these Indians in the States of Arizona and New Mexico, and that the appropriation for "Welfare of Indians" be increased by $150,000 to provide welfare assistance for other Indians in the States of Arizona and New Mexico.

The House provisos would affect only two States, Arizona and New Mexico. The States of Arizona and New Mexico have always taken the position that the social-security problems of the Indians in those States belong to the Federal Government, and that the Federal Government should provide the funds for these needy Indians. The committee was advised that representatives of both States have been called before the Social Security Board, and that both have appeared in regard to an alleged noncompliance with an alleged obligation to take care of needy Indians who are blind, aged, or dependent children in Arizona and New Mexico. No agreement has been reached between

these two States and the Federal Government on a policy for handling the social-security problems of Indians in the two States.

To place in the bill prohibitions against welfare payments to Indians in these two States who are eligible for benefit payments under the Social Security Act when no other provision has been made for the care of these needy Indians would be unfair, and the only ones who would suffer by such action would be the Indians themselves. Legislation is now pending in the Congress on this matter, and until the differences between the States of Arizona and New Mexico and the Federal Government can be resolved, the committee believes that Federal assistance to needy Indians in these two States should not be arbitrarily discontinued. The committee strongly urges representatives of the two States involved and the proper representatives of the Federal Government to arrive at a solution of this problem at the earliest practicable date in order to prevent a recurrence of similar prohibitive language in future appropriation bills.

In striking out the House provisos and increasing the appropriation for "Navajo and Hopi service" in the amount of $400,000 and the appropriation "Welfare of Indians" in the amount of $150,000, the committee does so with the understanding that the program of welfare assistance in the States of Arizona and New Mexico is to be carried on as it has in the past and that rates of assistance are not to be increased.

CONSERVATION OF HEALTH

The committee recommend an item of $50,000 for the purpose of providing additional funds to care for Indian tubercular patients at the Ah-Gwah-Ching Sanatorium, Walker, Minn.

The Chippewa wing of the Minnesota State Sanatorium at Walker, Minn., was constructed with Federal funds on land ceded to the Federal Government by authority of the 1935 session of the Minnesota Legislature to be operated by State authorities under contract with the Bureau of Indian Affairs for the care and treatment of tubercular Indian patients. It was specified that the cost of care was to be reimbursed on an actual per diem cost basis.

The committee was advised that the contract in effect for the current fiscal year provides a rate of $5.70 per patient-day with a maximum liability of $110,000, which amount will provide care and treatment for an average daily patient load of 56.

A survey partly completed through the use of the mobile X-ray service by the Minnesota State Health Department in cooperation with the United States Public Health Service shows that there are presently 44 Indians who should be admitted for treatment but cannot be due to the fact that there are already 56 patients being cared for in this hospital.

The committee was advised that the total number of known cases of active tuberculosis needing treatment and not in a sanatorium as reported recently by the senior medical officer of the Consolidated Chippewa Agency is 233. The cost of care of the 44 immediately ready for admission for the months of April, May, and June at $5.70 per patient-day will be $22,822.80. An additional 65.2 patients can be admitted for the same period at the cost of $37,175.40 based on a cost of $5.70 per patient-day.

The estimated cost of these two groups totals $59,998.20 for the months of April, May, and June. The Bureau of Indian Affairs has indicated that a total of $60,000 should be available during these months to care for these patients, stating that $10,000 of the amount can be supplied from funds on hand. The appropriation of $50,000 proposed by the committee is to provide the additional amount required.

Even if the 44 and 65 cases are admitted for April, May, and June, there will still be a known backlog of cases of tuberculosis among these Indians totaling 124. The committee was advised that the entire Indian population has not been completely surveyed with the X-ray, but that when the survey is completed a number of other cases of tuberculosis will be uncovered.

The committee was further advised that a twin attack on tuberculosis by X-ray surveys and hospitalization of discovered cases will bring about a marked reduction in tuberculosis within a 5-year period, but that if this is not done the case load will increase and the eventual cost to the Government will be greater.

Attention is directed to the fact that in the fiscal year 1948, the Indian Service provided care for a daily average of 1,096 cases of tuberculosis at its own hospitals and under contract.

Bureau of Reclamation

salaries and expenses (other than project offices)

administrative limitations

The 1949 Interior Department Appropriation Act placed a limitation of $7,800,000 on the amount which the Reclamation Bureau could transfer from other reclamation appropriations to the salaries and expenses account for operation of the Denver, Colo., office. Likewise, the 1949 act placed a limitation of $48,000,000 on the amount of reclamation appropriations that could be used during the fiscal year 1949 for administrative personal service and other personal services.

Subsequent to the passage of the 1949 Interior Department Appropriation Act, Congress passed the act of July 3, 1948, providing pay increases for Federal employees.

The amount of pay increases involved in personal services connected with the $7,800,000 limitation is $610,000. The committee does not favor the repeal of the $7,800,000 limitation as proposed by the House, but inasmuch as the Congress did not intend that the Pay Act increases should be included within the limitation fixed prior to the passage of the Pay Act, the committee does recommend that the limitation of $7,800,000 be increased to $8,410,000, or an increase of $610,000.

Likewise, with respect to the $48,000,000 limitation, the Congress did not intend that the Pay Act increases should be included within that limitation. The amount of the pay increases involved in personal services connected with the $48,000,000 limitation is $3,695,000.

Furthermore, in a decision dated October 1, 1948, the Comptroller General ruled that trust funds advanced by water-user organizations to the Reclamation Bureau under contracts executed in pursuance of

the reclamation law for operation and maintenance of projects and funds transferred to the Reclamation Bureau from other Federal agencies were to be included within the $48,000,000 limitation.

The total amount of trust funds advanced by water-user organizations to the Reclamation Bureau for operation and maintenance on some 19 projects during the fiscal year 1949 totals $2,210,492, of which $1,300,000 is earmarked for payments for personal services. The contributed funds from other agencies during the fiscal year 1949 amount to $647,406, of which $381,000 is for personal services.

The committee does not recommend repeal of the $48,000,000 limitation. However, inasmuch as the Congress did not intend that the limitation of $48,000,000 should apply to trust funds advanced by water-user organizations and to funds contributed to the Reclamation Bureau by other Federal agencies, it is recommended that the $48,000,000 limitation be increased by $1,300,000 and $381,000, together with an increase of $3,695,000 due to the Pay Act, making a total increase of $5,376,000, or an increase from $48,000,000 to $53,376,000.

The committee does not recommend repeal of the limitation in the 1949 Interior Department Appropriation Act providing that the total number of employees in the Bureau of Reclamation holding a permanent, temporary, or other appointment in grades CAF–9 and P–3, or above, shall not exceed 3,500 at any one time during the fiscal year 1949. The committee has accordingly deleted from the bill the provision in the bill as passed by the House proposing to repeal this limitation.

NATIONAL MILITARY ESTABLISHMENT

Department of the Army—Civil Functions

RIVERS AND HARBORS

The committee has approved a total appropriation of $10,509,000 under this heading, a reduction of $991,000 under the budget estimate.

The budget estimate for the maintenance and improvement of existing river and harbor works was in the amount of $11,500,000 and the House has allowed $10,500,000. The budget estimate contemplated an appropriation of $8,000,000 for McNary lock and dam; $1,500,000 for Ice Harbor lock and dam; and $2,000,000 for Chief Joseph Dam. In its report, the House committee stated it did not wish to earmark funds for either of these three projects and left it to the Corps of Engineers to effect the best possible utilization of funds allowed.

The committee has been advised by the Office of the Chief of Engineers that the Acting Director of the Bureau of the Budget has stated that "allowances for rivers and harbors and flood control do not include any funds for the planning of construction of fish ladders and related facilities in any authorized structure in the Columbia Basin above McNary Dam." In view of this, the committee is of the opinion that no construction or other funds should be expended on the Ice Harbor lock and dam until the prohibition against fish passage structures has been removed and a determination has been made as to the effect of the Snake River dams upon the salmon runs.

The committee directs the Corps of Engineers to utilize the funds appropriated under this heading, $10,500,000, for construction of

McNary lock and dam and Chief Joseph Dam only. The information upon which the committee has acted was not before the House committee when its report on this subject was prepared.

The remaining $9,000 allowed by the committee under this appropriation is for deepening from approximately 3 feet to about 7 feet the small-boat harbor at Havre de Grace, Md., just below Concord Point at the mouth of the Susquehanna River.

FLOOD CONTROL, GENERAL (EMERGENCY FUND)

The House allowed $2,500,000 under this head for flood repair in the Columbia Basin caused by the disastrous floods of May–June 1948.

Subsequent to the House action, the Senate received in Senate Document 23 an estimate in the amount of $22,500,000 to meet a potential flood hazard of critical proportions expected to result from the unprecedented heavy snow cover produced by record blizzards occurring during the winter of 1948–49 in the western part of the United States.

The supplemental estimate for $22,500,000 was dated March 2, 1949, and the committee had a hearing on the item on March 4, 1949. Subsequent to the receipt of the estimate and the hearing, the committee was advised that the flood hazard is not as great as it was at the time the estimate of $22,500,000 was prepared. The committee accordingly recommend an additional appropriation of $17,500,000 in lieu of the full additional amount requested, namely $22,500,000.

The additional amount of $17,500,000, together with the $2,500,000 allowed by the House and approved by the committee for the Columbia Basin, provides a total of $20,000,000 in the bill under the heading "Flood control, general (emergency fund)."

With reference to this appropriation, the committee recommend that the following language be added to the bill:

: Provided, That not to exceed $2,000,000 shall be made available under the provisions of and for the purposes enumerated in section 205 of the above Act

Section 205 of the "Flood Control Act of 1948," approved June 30, 1948, Public Law 858, Eightieth Congress, second session, provides as follows:

SEC. 205. That the Secretary of the Army is hereby authorized to allot from any appropriations heretofore or hereafter made for flood control, not to exceed $2,000,000 for any one fiscal year, for the construction of small flood-control projects not specifically authorized by Congress, and not within areas intended to be protected by projects so authorized, which come within the provisions of section 1 of the Flood Control Act of June 22, 1936, when in the opinion of the Chief of Engineers such work is advisable: *Provided*, That not more than $100,000 shall be allotted for this purpose at any single locality from the appropriations for any one fiscal year: *Provided further*, That the provisions of local cooperation specified in section 3 of the Flood Control Act of June 22, 1936, as amended, shall apply: *And provided further*, That the work shall be complete in itself and not commit the United States to any additional improvement to insure its successful operation, except as may result from the normal procedure applying to projects authorized after submission of preliminary examination and survey reports.

The committee has approved the foregoing language in order to avoid confining expenditures to repair or restoration thereby allowing the expenditure of funds for emergency construction when property and human life is involved. The committee recognizes it is impossible to know in advance where a problem might develop. It is a good investment to have emergency funds available to conserve human life and property.

Increases and Limitations

The changes recommended in the amounts of the House bill are as follows:

Legislative branch:

Senate:

Payment to Vera C. Bushfield, widow of Harlan J. Bushfield, late a Senator from the State of South Dakota $12,500.00

Payment to Alice W. Broughton, widow of J. Melville Broughton, late a Senator from the State of North Carolina 12,500.00

Administrative and clerical assistants to Senators:

The committee recommend the inclusion in the bill of a provision making the appropriation for administrative and clerical assistants and messenger service for Senators contained in the 1949 Legislative Branch Appropriation Act available for the employment of an additional clerk at the basic rate of $1,500 per annum by each Senator from the States of California and Virginia, inasmuch as the population of these States has exceeded 10,000,000 and 3,000,000, respectively.

Office of Sergeant at Arms and Doorkeeper:

The committee recommend that the following provision be added to the bill:

Office of Sergeant at Arms and Doorkeeper: Hereafter the basic annual rates of compensation for two clerks at $3,480 each contained in the Legislative Branch Appropriation Act, 1949, shall be one at $4,260 and one at $2,700.

The effect of the foregoing amendment recommended by the committee is to increase one position in the Office of Sergeant at Arms and Doorkeeper from a present basic salary of $3,480, which provides a gross salary of $5,280.79, to a basic salary of $4,260, which will provide a gross salary of $6,356.72. This is an increase in basic pay of $780 and an increase in gross pay of $1,075.93. The effect of the proposed amendment also is to decrease the basic pay of one position in the Office of Sergeant at Arms and Doorkeeper from a present basic rate of $3,480, which provides a gross pay of $5,280.79, to a basic salary of $2,700, which will provide a gross salary of $4,204.86. This represents a decrease in basic pay of $780 and a decrease in gross salary of $1,075.93.

INCREASES AND LIMITATIONS—continued

Legislative branch—Continued

The committee recommend that the following provision be added to the bill:

Commencing March 1, 1949, the appropriation for "Salaries of officers and employees of the Senate" contained in the Legislative Branch Appropriation Act, 1949, shall be available for the compensation of laborer in charge of private passage at $2,280 basic per annum in lieu of laborer in charge of private passage at $2,120.

The effect of the foregoing amendment is to provide an increase in basic salary for the position mentioned from $2,120 to a basic rate of $2,280, or an increase of $160 in basic rate. This provides an increase of $220.71 in gross salary, or an increase from the present gross salary of $3,404.80 to a gross salary of $3,625.51. The employee for whom this increase is recommended, William Montgomery, is 69 years of age, he has been an employee of the Senate for 52 years and 3 months, having started as a laborer at $720 per annum.

Contingent expenses of the Senate:

Furniture and repairs---------- $6,000.00

A total of $10,000 was requested for furniture and repairs, and the committee has approved an amount of $6,000.

Postage stamps---------- 225.00

The increase recommended provides for the Office of the Secretary $150 additional for postage stamps for the remainder of the current fiscal year and $75 additional for postage stamps for the Office of the Sergeant at Arms for the remainder of the fiscal year 1949. Neither of these offices has the franking privilege.

Long-distance telephone calls for the Vice President:

The committee recommend inclusion in the bill of the following provision:

Commencing January 20, 1949, the provisions of existing law relating to long-distance telephone calls for Senators shall be equally applicable to the Vice President of the United States.

Purchase of typewriters:

The committee recommend that the following provision be added to the bill:

Notwithstanding the provisions of the Treasury-Post Office Appropriation Act, 1949, the appropriation "Miscellaneous items, contingent expenses of the Senate", shall be available for purchase of new or used typewriters at prices which do not exceed prices established under the provisions of the Treasury-Post Office Appropriation Act, 1949.

INCREASES AND LIMITATIONS—continued

Legislative branch—Continued

Similar language is included in the bill as passed by the House for the House of Representatives and the Judiciary. The 1949 Treasury-Post Office Appropriation Act carried a prohibition against the purchase of typewriters from funds appropriated in any act for the fiscal year 1949. It further provided that the executive agencies could obtain typewriters from surplus stocks of the Government but further provided for executive agencies the following: "Notwithstanding the foregoing paragraphs, in the event the Director of the Bureau of Federal Supply is unable to furnish any such agency with suitable typewriters out of stock on hand, he may purchase typewriters for the account of such agency * * *."

Inasmuch as the legislative branch was not included in the foregoing provisions governing the acquisition of typewriters, the committee feel that a remedial provision along the lines proposed is justified. As indicated above, the House of Representatives has inserted in the bill a similar provision governing the acquisition of typewriters by the House.

Total, Senate	$31,225.00
House of Representatives:	
Payment to Vera Bloom, daughter of Sol Bloom, late a Representative from the State of New York	12,500.00
Joint Committee on Nonessential Federal Expenditures	20,000.00

In recommending this item, the committee recommend that the following provision be added to the bill:

For an amount which is hereby authorized to enable the Joint Committee on Reduction of Nonessential Federal Expenditures to carry out the duties imposed upon it by section 601 of the Revenue Act of 1941 (55 Stat. 726), to remain available during the existence of the committee, $20,000, to be disbursed by the Secretary of the Senate.

Total, legislative branch	63,725.00

INCREASES AND LIMITATIONS—continued

Federal Security Agency:

Grants to States for unemployment compensation and employment service administration $4,000,000.00

This proposed increase is based on a supplemental estimate sent to the Senate and will provide a total of $14,000,000 for this purpose in lieu of $10,000,000 as recommended by the House.

The committee recommend that the following provision be added to the bill:

, of which $4,000,000 shall be available only upon determination by the Federal Security Administrator, with the approval of the Director of the Bureau of the Budget, that increased costs have resulted either from (1) increases in work load, or (2) increases in salaries of State employees, occurring after February 1, 1949

Federal Works Agency:

Public Buildings Administration:

Renovation and modernization, Executive Mansion 5,400,000.00

This increase is based on a supplemental estimate contained in S. Doc. 12.

General Accounting Office Building, District of Columbia:

The committee recommend that the following provision be added to the bill:

The contract authority provided under this head in the Second Deficiency Appropriation Act, 1948, for the construction of a building for the use of the General Accounting Office, is increased in an amount not to exceed $2,550,000 under the revised limit of cost of $25,400,000.

The estimate for this item is in S. Doc. 14 sent to the Senate after passage of the bill by the House. Public Law 10, 81st Cong., 1st sess., approved Feb. 25, 1949, increases the limit of cost on this building from $22,850,000 to $25,400,000. The amendment recommended by the committee is to increase the contract authority for this structure in accordance with the increased limit of cost approved by the Congress in Public Law 10.

Bureau of Community Facilities:

Maintenance and operation of schools 3,000,000.00

This increase is based on a supplemental budget estimate contained in S. Doc. 18.

Total, Federal Works Agency 8,400,000.00

Housing and Home Finance Agency:

Federal Housing Administration:

The committee recommend that the amount for administrative expenses of this Agency be increased from $19,000,000 to $23,800,000 in lieu of from $19,000,000 to $23,000,000 as proposed by the House. The amount recommended by the committee is the same amount as proposed in the budget estimate.

INCREASES AND LIMITATIONS—continued

Housing and Home Finance Agency—Continued

Public Housing Administration:

The committee recommend that the following paragraphs be added to the bill:

The second proviso in the paragraph under the heading "Federal Public Housing Authority" in title I of the Government Corporations Appropriation Act, 1948, is hereby repealed as of July 1, 1947.

The second proviso in the paragraph under the heading "Public Housing Administration" in title I of the Government Corporations Appropriation Act, 1949, is hereby repealed as of July 1, 1948.

Housing Expediter:

Salaries and expenses:

In approving the $4,800,000 allowed by the House for the operation of the Office of the Housing Expediter through the month of May 1949, the committee recommend that the following provision be added to the bill:

, of which $3,600,000 is contingent upon the enactment of legislation continuing rent control beyond March 31, 1949: Provided, That if rent control and veterans' preference requirements under the Housing and Rent Act of 1947, as amended, are not extended by legislation beyond March 31, 1949, the said sum of $3,600,000 is hereby made available on account and in part payment of liquidation expenses, including terminal leave, of the Office of the Housing Expediter

Motor Carrier Claims Commission:

Salaries and expenses $50,000.00

The committee in recommending this item, the estimate for which is contained in H. Doc. 44 recommend that the following proviso be approved:

: Provided, That section 6 of the aforesaid Act of July 2, 1948, as amended, is further amended by striking out the words "nine months" and inserting in lieu thereof the words "fifteen months", and section 13 of said Act, as amended, is further amended by striking out the words "nine months' period" and inserting in lieu thereof the words "fifteen months' period"

United States Maritime Commission:

Vessel operating functions:

The committee recommend the inclusion in the bill of a provision making not to exceed $4,568,000 of the unobligated balance on Mar. 1, 1949, of the funds appropriated under this head in the Supplemental Independent Offices Appropriation Act, 1949, available until June 30, 1949.

This item is based on a supplemental estimate contained in S. Doc. 19. The Congress has by Public Law 12, 81st Cong., 1st sess., approved Feb.

INCREASES AND LIMITATIONS—continued

United States Maritime Commission—Continued

28, 1949, extended the authority of the Maritime Commission to sell, charter, and operate vessels to June 30, 1949. The 1949 appropriation was available only until Mar. 1, 1949, and the new amount proposed by the committee is based on the recent authorization passed by the Congress.

War Assets Administration:

Salaries and expenses, special fund $1,250,000.00

The estimate for this appropriation as contained in H. Doc. 44, is $15,000,000. The House allowed an appropriation of $12,500,000, which the committee recommend be increased by $1,250,000 to provide a total additional amount for the fiscal year 1949 of $13,750,000.

War Claims Commission:

Administrative expenses:

The committee recommend that the following provision be added to the bill:

WAR CLAIMS COMMISSION

ADMINISTRATIVE EXPENSES

For expenses necessary for the War Claims Commission, including personal services in the District of Columbia; travel expenses; printing and binding; services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a); and advances or reimbursements to other Government agencies for use of their facilities and services in carrying out the functions of the Commission; $100,000, to be derived from the war claims fund created by section 13 (a) of the War Claims Act of 1948 (Public Law 896, approved July 3, 1948): Provided, That the date fixed by section 8 (a) of the War Claims Act of 1948 for submission of the report required by said section is changed from "March 31, 1949", to "December 31, 1949".

Payment of claims:

The committee also recommend that the following provision be added to the bill:

PAYMENT OF CLAIMS

For payment of claims, as authorized by the War Claims Act of 1948, from funds deposited in the Treasury to the credit of the war claims fund created by section 13 (a) of said Act, such sums as may be necessary, to be available to the Secretary of the Treasury for payment of claims under sections 4 (a), 4 (b) (2), 5 (e), 6 (b), and 7 of said Act to the payees named and in the amounts stated in certifications by the War Claims Commission and the Federal Security Administrator or their duly authorized representatives, which certifications shall be in lieu of any vouchers which might otherwise be required: Provided, That this appropriation shall not be available for administrative expenses.

The estimates for the foregoing provisions are contained in H. Doc. 44.

INCREASES AND LIMITATIONS—continued

Department of Agriculture:

Bureau of Entomology and Plant Quarantine:

Control of emergency outbreaks of insects and plant diseases $350,000.00

The committee recommend that the following provision be added to the bill:

: Provided, That a report shall be made by the Secretary of Agriculture to the Senate and House Appropriation Committees covering expenditures from the fiscal year 1949 appropriations for this purpose

The estimate for this appropriation as contained in H. Doc. 44 is $1,350,000. The House allowed an appropriation of $1,000,000, and the committee recommend an increase of $350,000 to provide the full amount of the budget estimate.

The committee feel that the increase is justified in view of the testimony given at the hearing relative to Mormon cricket and grasshopper control work and the need for funds in connection with the control of fire ants.

Farmers' Home Administration:

Loans to farmers, property damage:

The committee recommend that the following provision be added to the bill:

FARMERS' HOME ADMINISTRATION

LOANS TO FARMERS, PROPERTY DAMAGE

The funds appropriated under the head "Loans to farmers, 1948 flood damage," in the Second Deficiency Appropriation Act, 1948, shall remain available until June 30, 1950, in accordance with the terms and conditions specified under said head, to provide assistance to farmers whose property is destroyed or damaged as a result of floods, storms, or other natural calamity during the calendar years 1948 and 1949.

The purpose of the amendment proposed by the committee is to extend for 1 year the availability of funds heretofore appropriated to provide assistance to farmers whose property was destroyed or damaged by floods in 1948 and to make such funds available to provide assistance to farmers whose property is destroyed or damaged as a result of floods, storms, or other natural calamity during the calendar years 1948 and 1949. The committee was advised that of the $6,000,000 appropriated in the Second Deficiency Appropriation Act, 1948, approximately $4,000,000 will be available to cover the present emergency, including any flood conditions which may follow.

INCREASES AND LIMITATIONS—continued

Department of Commerce:

Coast and Geodetic Survey:

Salaries and expenses, field $76,000.00

The increase recommended by the committee is contained in a supplemental estimate sent to the Senate, S. Doc. 17. The House approved the estimate received by it of $290,000. The additional estimate of $76,000 is based on the need of additional funds in the current fiscal year to expedite surveys on the Aretic coast of Alaska in order to provide essential charts and related information for the use of the Navy resupply expedition, which supplies military installations at Barter Island annually, as well as the Arctic party of the Coast and Geodetic Survey, and makes the surveying and charting of the Arctic coast feasible.

Interior Department:

Bonneville Power Administration:

Limitation on force account work and informational work:

The committee recommend that the following provision be deleted from the bill:

and the limitations under said head on force account activities and on salaries and expenses in connection with informational work are hereby repealed

and that the following be inserted in lieu thereof:

and the limitation under said head on force account activities is hereby amended to read as follows: "Provided further, That not exceeding 10 per centum of any construction appropriations for the Bonneville Power Administration contained in this Act shall be available for wages for construction work by force account, or on a hired-labor basis, except in case of emergencies, local in character, so declared by the Bonneville Power Administrator"

Bureau of Indian Affairs:

Navajo and Hopi service:

Agency services:

Education 550,000.00

Welfare program 400,000.00

The committee recommend that the following provision be stricken from the bill:

: *Provided*, That after the approval of this Act no payment shall be made from this appropriation to Indians who are eligible for benefit payments under the Social Security Act

At the hearing on the 1950 Interior Department appropriation bill, the committee expects to go thoroughly into the use of funds by the Bureau of Indian affairs for the education of Navajo and Hopi Indians.

INCREASES AND LIMITATIONS—continued

Interior Department—Continued

The committee recommend that the following proviso be added to the bill:

: Provided, That a detailed report shall be made by the Secretary of the Interior to the Senate and House Appropriation Committees covering expenditures from the fiscal year 1949 appropriations for the education of the Navajo and Hopi Indians

In making the report called for by the foregoing proviso, the committee directs the Department to include in the information and data submitted a break-down showing the amounts used for operation and maintenance of schools and a break-down of any amounts used for the construction of schools. The committee also wishes the report to set forth any amounts used for other types of construction on the Navajo and Hopi Reservations, including construction of quarters and administrative buildings for employees either on or off the reservations.

Total Navajo and Hopi service	$950,000.00
Welfare of Indians	150,000.00

The committee recommend that the following provision be stricken from the bill:

: *Provided*, That after the approval of this Act no payment shall be made from this appropriation to Indians who are eligible for benefit payments under the Social Security Act

Conservation of health	50,000.00

The amount recommended is for the care of additional Indian tubercular patients at the Ah-Gwah-Ching Sanatorium, Walker, Minn.

Alaska Native Service:	
Vessel conversion	700,000.00

This item is recommended in a supplemental estimate contained in S. Doc. 13. The purpose of the item is to provide funds for the conversion and outfitting of a ship, transferred to the Alaska Native Service as surplus to the needs of the Maritime Commission under authority contained in the act of June 29, 1948, Public Law 841. The ship is to replace the U. S. M. S. *North Star*, which has been in service since 1932.

Payment to Choctaw and Chickasaw Nations of Indians, Oklahoma	8,359,000.00

INCREASES AND LIMITATIONS—continued

Interior Department—Continued

The estimate for this item is contained in H. Doc. 93. The payment to the Choctaw and Chickasaw Nations of Indians is in fulfillment of the terms of a contract between the United States and these two nations of Indians as authorized by the act of June 28, 1944, and as ratified by the act of June 24, 1948 (Public Law 754). The provision recommended by the committee places a limitation of not to exceed $50,000 on administrative expenses, including printing and binding, in making the per capita payment.

Indians of California:

The committee recommend pursuant to Public Law 852, 80th Cong., 2d sess., approved June 30, 1948, that $25,000 of funds in the Treasury of the United States to the credit of the Indians of California be used to defray the expenses incurred by the Secretary of the Interior in revising the roll of the Indians of California.

Public Law 852 authorized and directed a revision of the roll of the Indians of California and authorized $25,000 to be paid out of the tribal funds of these Indians to defray the expenses of the Secretary of the Interior in revising the roll.

Total, Bureau of Indian Affairs $10,209,000.00

Bureau of Reclamation:

Force account work:

The committee recommend that the following paragraph be stricken from the bill:

That part of the Interior Department Appropriation Act, 1949, which reads "not exceeding 8 per centum of the construction appropriation for any project under the Bureau of Reclamation contained in this Act shall be available for construction work by force account, or on a hired labor basis, except for projects or items the estimated construction cost of which does not exceed $200,000, and only then in cases where the Bureau of Reclamation finds the lowest bids to be excessive" is hereby repealed.

and that the following be inserted in lieu thereof:

That part of the Interior Department Appropriation Act for 1949 which reads: "Not exceeding 8 per centum of the construction appropriation for any project under the Bureau of Reclamation contained in this Act shall be available for construction work by force account, or on a hired labor basis, except for projects or items the estimated construction cost of which does not exceed $200,000, and only then in cases where the Bureau of Reclamation finds the lowest bids to be ex-

INCREASES AND LIMITATIONS—continued

Interior Department—Continued

cessive." is hereby repealed and in lieu thereof the following provision is hereby inserted: "Not exceeding 10 per centum of the construction appropriation for the Bureau of Reclamation for any project contained in this Act shall be available for wages for construction work by force account and on a hired labor basis; except that not to exceed $500,000 may on approval of the Commissioner be expended for wages for construction work by force account on any one project when the work is unsuitable for contract or when excessive bids are received; and except in cases of emergencies local in character, so declared by the Commissioner."

General fund, construction:

Davis Dam project, Arizona-Nevada $500,000.00

The estimate for this project is $5,000,000. The House allowed an appropriation of $4,500,000, and the increase proposed by the committee will provide the full amount of the estimate.

The committee was advised that the $500,000 reduction by the House would retard construction of the Davis Dam and power plant, and that these features comprise the major portion of the prime contract awarded to the Utah Construction Co. during January 1946. The committee was further advised that the reduction would mean that sufficient funds would not be available in the last quarter of the current fiscal year to provide full payments for expected earnings by the contractor.

Colorado-Big Thompson project, Colorado 200,000.00

The increase proposed by the committee will provide the full amount of the budget estimate, $2,000,000, the House having allowed an appropriation of $1,800,000.

The $200,000 increases proposed by the committee will permit award of contracts for transmission lines, substations, and continuation of project features necessary for the prosecution of an orderly construction program. The amount of $200,000 includes an estimate of $50,000 for completion of the plans and specifications, award of contracts, and acquisition of land and right-of-way for the Wiggins-Hoyt extension to the Estes-Flatiron-Greeley-Sterling 115-kilovolt transmission line. Specifications have also been issued for the construction of the Brush-Yuma section of the Sterling-Holyoke-Wray-Brush 69-kilovolt loop, and $100,000 is required to make an award and start construction early in this construction season. The balance of the $50,000 recommended by the committee

INCREASES AND LIMITATIONS—continued

Interior Department—Continued

is required to permit necessary work throughout the project to be continued on a schedule consistent with proper integration of the project features.

Columbia Basin project, Wash $500,000.00

For this project, the estimate is $5,000,000, and the House allowed an appropriation of $4,500,000. The increase of $500,000 proposed by the committee will provide the full amount of the estimate.

Total, General Fund, Construction 1,200,000.00

Missouri River Basin 600,000.00

The increase of $600,000 proposed by the committee will provide the Budget estimate of $5,100,000—the House having allowed an appropriation of $4,500,000.

The increase of $600,000 is broken down as follows:

Unit	Estimate	Bureau's allocation of House reduction	Increase recommended
Angostura unit	$750,000	$660,000	$90,000
Boysen unit	4,000,000	3,525,000	475,000
Kortes unit	350,000	315,000	35,000
Total	5,100,000	4,500,000	600,000

General Offices:

Salaries and expenses (other than project offices):

The committee recommend that the following language be stricken from the bill:

: *Provided*, That in addition to the amount appropriated under this head in the Interior Department Appropriation Act, 1949, there shall be available for expenditure under said head any sums transferred thereto for work performed or to be performed for the benefit of specific projects or undertakings for which other funds or appropriations of the Bureau of Reclamation are available; and the first, fourth, and fifth provisos under said head are hereby repealed

and that the following be inserted in lieu thereof:

: *Provided, That the limitation of $7,800,000 contained in the first proviso under this head in the Interior Depart-*

INCREASES AND LIMITATIONS—continued

Interior Department—Continued

ment Appropriation Act, 1949, is hereby increased to $8,410,000: Provided further, That the limitation of $48,000,000 contained in the fourth proviso under this head in said Act is hereby increased to $53,376,000

The first, fourth, and fifth provisos in the Interior Department Appropriation Act, 1949, under the appropriation "Salaries and expenses (other than project offices)" proposed to be repealed by the House language read as follows:

: *Provided*, That in addition to the foregoing amount there may be transferred to this appropriation from other appropriations made to the Bureau of Reclamation not to exceed $7,800,000 for work to be performed for the benefit of specific projects * * *: *Provided further*, That not exceeding $48,000,000 of appropriations available for expenditure by the Bureau of Reclamation during the fiscal year 1949 shall be used for administrative personal service and other personal services: *Provided further*, That the total number of employees in the Bureau of Reclamation holding a permanent, temporary, or other appointment in grades CAF–9 and P–3, or above, shall not exceed three thousand five hundred at any one time during the fiscal year 1949

Provision on Commissioner of Reclamation, Assistant Commissioner, and Regional Directors:

The committee recommend that the following provision in the House bill be deleted:

Effective January 31, 1949, the proviso under this head in the Interior Department Appropriation Act, 1949, which reads: "*Provided further*, That after January 31, 1949, no part of any appropriation for the Bureau of Reclamation contained in this Act shall be used for the salaries and expenses of a person in any of the following positions in the Bureau of Reclamation, or of any person who performs the duties of any such position, who is not a qualified engineer with at least five years' engineering and administrative experience: (1) Commissioner of Reclamation; (2) Assistant Commissioner of Reclamation; and (3) Regional Director of Reclamation—" is hereby repealed.

Reclamation fund, construction:

Lewiston Orchards project, Idaho $50, 000. 00

INCREASES AND LIMITATIONS—continued

Interior Department—Continued

This increase recommended by the committee will provide the budget estimate of $350,000. It was represented to the committee that the additional $50,000 is needed in order to permit early award of a contract for construction of the filter plant and clear water reservoir in connection with this project. It was further represented to the committee that if construction is not started early this spring, delivery of domestic water will be delayed by 9 months.

Provo River project, Utah $100,000.00

The estimate for this project is in the amount of $500,000, and the increase proposed by the committee will provide the full amount of the estimate.

It was represented to the committee that of the $400,000 allowed by the House for this project, $215,000 is for payment of obligations now incurred on the enlargement of the Provo Reservoir canal under contract authority as provided by the Interior Department Appropriation Act, 1948, and that the balance of the House allowance will be required to meet increased earnings on other existing contracts. The committee was further advised that restoration of the $100,000 reduction by the House is needed in order that the work on the Duchesne tunnel may be resumed early this spring. This tunnel, which will supply about one-third of the project water requirements, is located in the mountains, and the area is inaccessible for about 6 months of the year because of heavy snows.

Total, reclamation fund, construction .. 150,000.00

Total, Reclamation Bureau 1,950,000.00

Total, Interior Department 12,159,000.00

National Military Establishment:

Military functions:

Expediting production:

The committee has approved the insertion of the following language in the bill:

EXPEDITING PRODUCTION

The sum of $2,000,000 of the appropriation "Expediting production of equipment and supplies for national defense, fiscal years 1942–1946", shall remain available until June 30, 1949, for the payment of obligations incurred under contracts executed thereunder prior to July 1, 1946.

INCREASES AND LIMITATIONS—continued

National Military Establishment—Continued

The proposed provision pertaining to the appropriation "Expediting production of equipment and supplies for national defense, fiscal years 1942–1946" extends until June 30 of this year the period during which the Army can pay for work performed under contracts executed prior to July 1, 1946. The provision permits payments to claimants as soon as the amounts due have been determined by proper authority, who otherwise would be obliged to process their claims through the General Accounting Office with much additional unavoidable delay in receiving payments to which they have been entitled for some years.

Civil functions:

Corps of Engineers:

Flood control, general (emergency fund)..... $17,500,000.00

The increase proposed by the committee is $17,500,000 of a supplemental budget estimate in the amount of $22,500,000 contained in S. Doc. 23. The reduction of $5,000,000 was made by the Committee on representation to it that the flood hazard is not as great now as it was at the time the $22,500,000 estimate was made.

The increase of $17,500,000 proposed by the committee, together with the $2,500,000 in the bill as passed by the House for completion of repair, restoration, and strengthening of levees in the Columbia Basin made necessary by the floods of May and June 1948 will provide a total of $20,000,000 in the bill under the caption "Flood control, general (emergency fund)."

The committee recommend that the following provision be added to the bill:

: Provided, That not to exceed $2,000,000 shall be made available under the provisions of and for the purposes enumerated in section 205 of the above Act

Rivers and harbors..... 9,000.00

The amount recommended by the committee is for deepening from approximately 3 feet to about 7 feet the small boat harbor at Havre de Grace, Md., just below Concord Point at the mouth of the Susquehanna River.

The improvement and maintenance of this harbor was authorized by the 1945 River and Harbor Act. The deepening of the harbor is required in order that adequate navigation facilities may be available for the smaller craft visiting the head of Chesapeake Bay, including those from neighboring waters and the boats that seasonally pass through the Chesapeake and Delaware Canal en route to and returning from points on the Atlantic Intracoastal Waterway below Norfolk.

Total, Civil Functions, National Military Establishment..... 17,509,000.00

INCREASES AND LIMITATIONS—continued

Claims for damages, audited claims, and judgments—title II $22,700,571.07

The committee has included in the bill funds in the amount of $22,700,571.07 for claims submitted to the Congress in S. Doc. Nos. 15 and 24, 81st Cong.

General provisions—title III:

The following section which was inserted in the bill by the House has been deleted from the bill:

SEC. 3. The provision in the Treasury Department Appropriation Act, 1949, which places a limit on the price which may be paid for such typewriters as may be purchased under the Act shall not apply to the purchase of office-type machines which are designed and constructed primarily to compose and print master copies for quantity reproduction by another process.

The committee was advised the foregoing provision was inserted by the House committee in order to exempt the machine known as the Vari-Typer from the so-called typewriter language of the 1949 Treasury Department Appropriation Act. The committee has since learned the Government has entered into a contract for the purchase of such machines under existing law and accordingly the provision is deleted from this bill.

Total increase 66,558,296.07
Amount of bill as reported to the Senate 538,453,473.59

Comparative statement of the amounts of the budget estimates and of the amounts as passed by the House and as recommended to be appropriated by the Senate bill

House Doc. No.	Department or agency	Amount of budget estimate	Amount recommended in House bill	Amount recommended by Senate committee	Increase (+) or decrease (−), Senate bill compared with—	
					Budget estimate	House bill
	TITLE I—GENERAL APPROPRIATIONS					
	LEGISLATIVE BRANCH					
	SENATE					
	Payment to Vera C. Bushfield			$12,500.00	+$12,500.00	+$12,500.00
	Payment to Alice W. Broughton			12,500.00	+12,500.00	+12,500.00
40	Office of Vice President	$4,500.00	$4,500.00	4,500.00		
44	Vice President's automobile	2,500.00	2,500.00	2,500.00		
	Contingent expenses of the Senate:					
	Furniture and repairs			6,000.00	+6,000.00	+6,000.00
	Postage stamps			225.00	+225.00	+225.00
	Total, Senate	7,000.00	7,000.00	38,225.00	+31,225.00	+31,225.00
	HOUSE OF REPRESENTATIVES					
	Beneficiaries of deceased Representatives		25,000.00	37,500.00	+37,500.00	+12,500.00
	Joint Committee on Nonessential Federal Expenditures			20,000.00	+20,000.00	+20,000.00
	ARCHITECT OF THE CAPITOL					
54	Capitol Building, Senate and House roofs and Chambers	2,274,500.00	2,274,500.00	2,274,500.00		
	Total, legislative branch	2,281,500.00	2,306,500.00	2,370,225.00	+88,725.00	+63,725.00
	THE JUDICIARY					
44	Miscellaneous items of expense: Fees of jurors	400,000.00	300,000.00	300,000.00	−100,000.00	

Comparative statement of the amounts of the budget estimates and of the amounts as passed by the House and as recommended to be appropriated by the Senate bill—Continued

House Doc. No.	Department or agency	Amount of budget estimate	Amount recommended in House bill	Amount recommended by Senate committee	Increase (+) or decrease (−), Senate bill compared with—	
					Budget estimate	House bill
	TITLE I—GENERAL APPROPRIATIONS—Continued					
	EXECUTIVE OFFICE OF THE PRESIDENT					
40	Compensation of the President	$33,437.52	$33,437.52	$33,437.52		
44	Office of Defense Transportation: Salaries and expenses	95,000.00	95,000.00	95,000.00		
	Total, Executive Office of the President	128,437.52	128,437.52	128,437.52		
	INDEPENDENT OFFICES					
	DISPLACED PERSONS COMMISSION					
44	Displaced Persons Commission	1,500,000.00	1,200,000.00	1,200,000.00	−$300,000.00	
	FEDERAL SECURITY AGENCY					
	Bureau of Employees' Compensation					
44	Administrative expenses, War Claims Act	(35,000.00)	(35,000.00)	(35,000.00)		
	Employees' compensation fund					
44	Employees' compensation fund	3,400,000.00	3,400,000.00	3,400,000.00		
	Social Security Administration					
44	Grants to States for public assistance	151,000,000.00	151,000,000.00	151,000,000.00		
44	Grants to States for Unemployment Compensation and Employment Service administration	14,000,000.00	10,000,000.00	14,000,000.00		+$4,000,000.00
	Total, Federal Security Agency	168,400,000.00	164,400,000.00	168,400,000.00		+4,000,000.00

	FEDERAL WORKS AGENCY					
	Public Buildings Administration					
S. 12	Renovation and modernization, Executive Mansion	5,400,000.00		5,400,000.00		+5,400,000.00
S. 14	Federal Office Building, Suitland, Md	11,500,000.00			−11,500,000.00	
S. 14	General Accounting Office Building, D. C	(1)		(1)		
	Bureau of Community Facilities					
S. 18	Operation and maintenance of schools	3,000,000.00		3,000,000.00		+3,000,000.00
	Total, Federal Works Agency	19,900,000.00		8,400,000.00	−11,500,000.00	+8,400,000.00
	HOUSING AND HOME FINANCE AGENCY					
44	Federal Housing Administration: Administrative expenses	(4,800,000.00)	(4,000,000.00)	(4,800,000.00)		+(800,000.00)
	HOUSING EXPEDITER					
44, 50	Salaries and expenses	7,450,000.00	4,800,000.00	4,800,000.00	−2,650,000.00	
	MOTOR CARRIERS CLAIMS COMMISSION					
44	Salaries and expenses	50,000.00		50,000.00		+50,000.00
	NATIONAL CAPITAL HOUSING AUTHORITY					
44	Maintenance and operation of properties	3,300.00	3,300.00	3,300.00		
	TENNESSEE VALLEY AUTHORITY					
44	Tennessee Valley Authority	3,450,000.00	2,950,000.00	2,950,000.00	−500,000.00	
	UNITED STATES MARITIME COMMISSION					
19	Vessel operating functions	(2)		(2)		(2)
	VETERANS' ADMINISTRATION					
44	National service life insurance	55,000,000.00	55,000,000.00	55,000,000.00		
44	Soldiers' and sailors' civil relief	190,000.00	190,000.00	190,000.00		
44	Veterans' miscellaneous benefits	44,189,000.00	44,189,000.00	44,189,000.00		
	Total, Veterans' Administration	99,379,000.00	99,379,000.00	99,379,000.00		

[1] Contract authorization not to exceed $2,550,000.
[2] $4,568,000 of unobligated balance on Mar. 1, 1949, made available until June 30, 1949.

Comparative statement of the amounts of the budget estimates and of the amounts as passed by the House and as recommended to be appropriated by the Senate bill—Continued

House Doc. No.	Department or agency	Amount of budget estimate	Amount recommended in House bill	Amount recommended by Senate committee	Increase (+) or decrease (−), Senate bill compared with—	
					Budget estimate	House bill
	TITLE I—GENERAL APPROPRIATIONS—Continued					
	INDEPENDENT OFFICES—Continued					
	WAR ASSETS ADMINISTRATION					
44	Salaries and expenses, special fund	$15,000,000.00	$12,500,000.00	$13,750,000.00	−$1,250,000.00	+$1,250,000.00
	WAR CLAIMS COMMISSION					
44	Administrative expenses	(100,000.00)		(100,000.00)		+(100,000.00)
44	Payment of claims	(3)		(3)		(3)
	Total, independent offices	315,132,300.00	285,232,300.00	298,932,300.00	−16,200,000.00	+13,700,000.00
	DEPARTMENT OF AGRICULTURE					
	AGRICULTURAL RESEARCH ADMINISTRATION					
	Bureau of Entomology and Plant Quarantine					
44	Control of emergency outbreaks of insects and plant diseases	1,350,000.00	1,000,000.00	1,350,000.00		+350,000.00
	PRODUCTION AND MARKETING ADMINISTRATION					
44, 58	Conservation and use of agricultural land resources	9,734,500.00	9,734,500.00	9,734,500.00		
	FARMERS' HOME ADMINISTRATION					
S. 22	Loans to farmers, property damage	(4)		(4)		(4)
	COMMODITY CREDIT CORPORATION					
44	Administrative expenses	(3,239,700.00)	(3,239,700.00)	(3,239,700.00)		
	Total, Department of Agriculture	11,084,500.00	10,734,500.00	11,084,500.00		+350,000.00

	DEPARTMENT OF COMMERCE					
	OFFICE OF THE SECRETARY					
44	Voluntary agreements	215,000.00	190,000.00	190,000.00	−25,000.00	
	BUREAU OF THE CENSUS					
44	Census of business	11,950,000.00	11,000,000.00	11,000,000.00	−950,000.00	
	CIVIL AERONAUTICS ADMINISTRATION					
44	Claims, Federal Airport Act	1,227,140.00	1,227,140.00	1,227,140.00		
	COAST AND GEODETIC SURVEY					
S. 44 17	Salaries and expenses, field	366,000.00	290,000.00	366,000.00		+76,000.00
	BUREAU OF FOREIGN AND DOMESTIC COMMERCE					
44	Export control	1,175,000.00	1,000,000.00	1,000,000.00	−175,000.00	
	Total, Department of Commerce	14,933,140.00	13,707,140.00	13,783,140.00	−1,150,000.00	+76,000.00
	DEPARTMENT OF THE INTERIOR					
	OFFICE OF THE SECRETARY					
44	Expenses, power transmission facilities	131,000.00	131,000.00	131,000.00		
	BONNEVILLE POWER ADMINISTRATION					
44	Construction, operation, and maintenance	6,509,000.00	6,047,800.00	6,047,800.00	−461,200.00	
	BUREAU OF INDIAN AFFAIRS					
44	Navajo and Hopi service: Agency services	910,000.00	360,000.00	1,310,000.00	+400,000.00	+950,000.00
	Conservation and health			50,000.00	+50,000.00	+50,000.00
44	Welfare of Indians	385,000.00	385,000.00	535,000.00	+150,000.00	+150,000.00
S. 13	Alaska Native Service, vessel conversion	700,000.00		700,000.00		+700,000.00
93	Payment to Choctaw and Chickasaw Nations of Indians, Oklahoma	8,359,000.00		8,359,000.00		+8,359,000.00
	Indians of California			*(25,000.00)*		*+(25,000.00)*
	Total, Bureau of Indian Affairs	10,354,000.00	745,000.00	10,954,000.00	+600,000.00	+10,209,000.00

[3] Payable out of the war claims fund created by sec. 13 (a) of the War Claims Act of 1948 (Public Law No. 896).
[4] Makes unobligated balance of this appropriation in Second Deficiency Act, 1948, available until June 30, 1950.

Comparative statement of the amounts of the budget estimates and of the amounts as passed by the House and as recommended to be appropriated by the Senate bill—Continued

House Doc. No.	Department or agency	Amount of budget estimate	Amount recommended in House bill	Amount recommended by Senate committee	Increase (+) or decrease (−), Senate bill compared with—	
					Budget estimate	House bill
	TITLE I—GENERAL APPROPRIATIONS—Continued					
	DEPARTMENT OF THE INTERIOR—Continued					
	BUREAU OF RECLAMATION					
	General fund					
	Construction:					
44	Davis Dam project, Arizona-Nevada	$5,000,000.00	$4,500,000.00	$5,000,000.00		+$500,000.00
44	Colorado-Big Thompson project, Colorado	2,000,000.00	1,800,000.00	2,000,000.00		+200,000.00
44	Columbia Basin project, Washington	5,000,000.00	4,500,000.00	5,000,000.00		+500,000.00
44	Missouri River Basin	5,100,000.00	4,500,000.00	5,100,000.00		+600,000.00
44	General offices: Salaries and expenses (other than project offices)	260,000.00	260,000.00	260,000.00		
	Construction					
44	Boise project, Idaho, Payette Division	275,000.00	275,000.00	275,000.00		
44	Lewiston Orchards project, Idaho	350,000.00	300,000.00	350,000.00		+50,000.00
44	Provo River project, Utah	500,000.00	400,000.00	500,000.00		+100,000.00
	Operation and maintenance					
44	Colorado-Big Thompson project, Colorado	52,000.00	52,000.00	52,000.00		
44	North Platte project, Nebraska-Wyoming	17,500.00	17,500.00	17,500.00		
44	Kendrick project, Wyoming	131,000.00	131,000.00	131,000.00		

	Emergency fund					
44	Emergency fund	1,000,000.00	1,000,000.00	1,000,000.00		
	Total, Bureau of Reclamation	19,685,500.00	17,735,500.00	19,685,500.00		+1,950,000.00
	Total, Department of the Interior	36,679,500.00	24,659,300.00	36,818,300.00	+$138,800.00	+12,159,000.00
	NATIONAL MILITARY ESTABLISHMENT					
	DEPARTMENT OF THE ARMY—MILITARY FUNCTIONS					
	Secretary of the Army					
	Expediting production			(5)		
	DEPARTMENT OF THE ARMY—CIVIL FUNCTIONS					
	Corps of Engineers					
44	Rivers and harbors: Maintenance and improvement of existing river and harbor works	11,500,000.00	10,500,000.00	10,509,000.00	−991,000.00	+9,000.00
44	Flood control, general	16,000,000.00	14,000,000.00	14,000,000.00	−2,000,000.00	
44 S. 23	Flood control, general (emergency fund)	25,000,000.00	2,500,000.00	20,000,000.00	−5,000,000.00	+17,500,000.00
	Total, Department of the Army, civil functions	52,500,000.00	27,000,000.00	44,509,000.00	−7,991,000.00	+17,509,000.00
	POST OFFICE DEPARTMENT					
	FIELD SERVICE, POST OFFICE DEPARTMENT					
	Office of the Postmaster General					
44	Damage claims	250,000.00	250,000.00	250,000.00		
	Office of the Second Assistant Postmaster General					
44	Railroad transportation and mail messenger service	70,000,000.00	70,000,000.00	70,000,000.00		
44	Railway mail service, travel allowance	2,727,000.00	2,727,000.00	2,727,000.00		
44	Foreign air mail service	17,000,000.00	17,000,000.00	17,000,000.00		
	Total, Office of the Second Assistant Postmaster General	89,727,000.00	89,727,000.00	89,727,000.00		

[5] Makes $2,000,000 of prior appropriations available to June 30, 1949.

Comparative statement of the amounts of the budget estimates and of the amounts as passed by the House and as recommended to be appropriated by the Senate bill—Continued

House Doc. No.	Department or agency	Amount of budget estimate	Amount recommended in House bill	Amount recommended by Senate committee	Increase (+) or decrease (−), Senate bill compared with—	
					Budget estimate	House bill
	TITLE I—GENERAL APPROPRIATIONS—Continued					
	POST OFFICE DEPARTMENT—Continued					
	FIELD SERVICE, POST OFFICE DEPARTMENT—continued					
	Office of the Fourth Assistant Postmaster General					
44	Vehicle service	$13,000,000.00	$13,000,000.00	$13,000,000.00		
	Total, Post Office Department	102,977,000.00	102,977,000.00	102,977,000.00		
	TREASURY DEPARTMENT					
	FISCAL SERVICE					
	Bureau of Accounts					
44	Payment of certified claims	2,300,000.00	2,300,000.00	2,300,000.00		
44	Refund of moneys erroneously received and covered	800,000.00	800,000.00	800,000.00		
	BUREAU OF ENGRAVING AND PRINTING					
38	Salaries and expenses	2,000,000.00	1,500,000.00	1,500,000.00	−$500,000.00	
	BUREAU OF THE MINT					
44	Salaries and expenses	266,200.00	250,000.00	250,000.00	−16,200.00	
	Total, Treasury Department	5,366,200.00	4,850,000.00	4,850,000.00	−516,200.00	
	Total, title I, general appropriations	541,482,577.52	471,895,177.52	515,752,902.52	−25,729,675.00	+$43,857,725.00
	TITLE II—JUDGMENTS AND AUTHORIZED CLAIMS					
S. 15 24	Claims for damages, judgments rendered against the United States, and audited claims	22,700,571.07		22,700,571.07		+22,700,571.07
	Total, titles I and II	564,183,148.59	471,895,177.52	538,453,473.59	−25,729,675.00	+66,558,296.07

MINORITY VIEWS

The undersigned members of the Senate Committee on Appropriations recognize that it is an unusual procedure to submit a minority report on a deficiency appropriations bill. Yet we feel we would be remiss in our clear obligation to the American people if we did not call to the attention of the Senate what we sincerely believe to be a serious omission in H. R. 2632.

The omission to which we refer goes to the fact that under presently controlling decisions of the Supreme Court the doors of the courts are effectively barred to citizens and taxpayers from judicial relief for what may be unlawful construction of a steam electric generating plant by the Tennessee Valley Authority for purposes other than national defense or defense emergency—unless Congress by specific authorization permits such "day-in-court" relief. Closing the door to the ordinary channels of the judicial process, in our judgment, is completely unwarranted. Unless this amendment is adopted, those who believe that there is a grave question of the constitutionality of the construction of a steam-generating plant will never have their day in court—a right that has been inherent in Anglo-Saxon common law since the days of the Magna Carta.

By a vote so close that only one vote separated the majority from the minority the Senate Appropriations Committee refused the inclusion of the amendment that we have supported here.

At the outset we wish to make it clear, however, that we do not direct our objection to the reporting of the appropriation items contained in this measure. In this respect, this minority report differs from the usual type of dissenting document on appropriations bills.

This amendment, which we supported and which we still believe is essential to make this legislation complete, would have authorized an expeditious means of allowing a Federal taxpayer or consumer of electric energy to prevent, by recourse to the Federal courts, possible unlawful action of a Federal agency and the unlawful expenditure of Federal funds.

The text of the amendment that was offered and that we again offer for consideration by the entire membership of the United States Senate and urge its passage, is as follows:

Any Federal taxpayer or any consumer of electric energy, neither of whom is supplied with electric energy produced by the Tennessee Valley Authority, may, and is hereby authorized to, institute and maintain an action against the Tennessee Valley Authority in the United States District Court for the District of Columbia to enjoin the expenditure of any funds herein appropriated for the construction of any steam electric generating plant by the Tennessee Valley Authority and to enjoin the construction of said plant or plants as being contrary to law: *Provided*, That such an action shall not be maintained unless the complaint is filed within 3 months from the date when the act making the appropriation becomes effective. Service may be made upon the Tennessee Valley Authority by delivering a copy of the summons and of the complaint to any officer or agent of the Tennessee Valley Authority at the office of said Authority in the District of Columbia or by sending a copy of the summons and of the complaint by registered mail to the Tennessee Valley Authority at Knoxville, Tenn. The provisions of sections 1253,

2101, 2282, and 2284 of new title 28, Judiciary and Judicial Procedure, shall be applicable to such an action.

2. It is the intention of this provision to vest in such Federal taxpayers and consumers of electric energy the private substantive right to be protected against unlawful expenditures of Federal funds and the unlawful construction of steam plants by the TVA, and to permit the action herein authorized for the protection of the public and for the protection of such private substantive right.

In our judgment a most serious constitutional question is here involved. In providing the funds for the commencement of construction of a steam-generating plant by the Tennessee Valley Authority in time of peace, without permitting a citizen to prevent possible unconstitutional action, the Senate Committee on Appropriations appears to have arrogated to itself the prerogatives and functions of the judicial branch of this Government. Nor does it seem appropriate for the Senate Committee on Appropriations, the Senate, or the Congress, to arrogate to itself the functions of court of original jurisdiction and of final appeal on a question of such fundamental implications for the future of our economy.

The Supreme Court of the United States is the only constituted authority that rightly can make a final determination of the constitutionality of any legislative action taken by the Congress of the United States.

It is a fact, little understood, that suits of taxpayers or citizens in instances of this nature are impossible under previous decisions of the Supreme Court, without specific authorization by congressional action. For this reason, the proposed amendment must be adopted in order to afford a means of preventing, by suit in the Federal courts, unlawful action of officers or agencies of the Federal Government.

Opponents of this amendment argue that undue delay will occur in the construction of this plant. We regard this as an argument of expediency; an argument that assumes that it is more important to build a plant in peacetime—regardless of its legality—than it is to open the doors of the Federal courts to the citizen.

The undersigned, anticipating this objection and fearful of delay in reaching a final decision, included in this amendment two provisions which will assure an early and conclusive determination of this constitutional question. We refer, firstly to the 3 months' filing provision and, secondly, to the reference to section 2282 of new title 28, Judiciary and Judicial Procedure. This latter provides for a three-judge district court in the District of Columbia, whose decision may be appealed directly to the Supreme Court of the United States without reference to the circuit court of appeals.

We sincerely regret that we must differ with our colleagues on the Senate Committee on Appropriations, but we feel that the American people will want and properly deserve the right to a final decision on this matter by the only authority in the land capable of making the decision—the Supreme Court of the United States. This is particularly true inasmuch as some of the undersigned believe in and intend to support the appropriation for the steam plant, but still believe in the ancient "day-in-court" right of the citizen and taxpayer.

STYLES BRIDGES.
CHAN GURNEY.
CLYDE M. REED.
HOMER FERGUSON.
LEVERETT SALTONSTALL.

ADDITIONAL VIEWS OF HON. PAT McCARRAN, SENATOR FROM NEVADA

I concur in the provisions of the amendment to the first deficiency bill which would authorize a determination by the United States Supreme Court of the constitutionality of the TVA steam plant.

ADDITIONAL VIEWS OF HON. KENNETH S. WHERRY, SENATOR FROM NEBRASKA

I interpret that the original TVA Act authorizes the construction of a steam plant and I, therefore, supported the appropriation for such construction.

But since the constitutional question has been raised, the amendment contained in this minority report provides the means to obtain a judicial finding and clears the way for appropriate action.

ADDITIONAL VIEWS OF HON. GUY CORDON, SENATOR FROM OREGON

While I am not in accord with all the foregoing reasoning, I do believe the constitutional question involved is of sufficient importance to warrant the amendment offered.

○

Calendar No. 120

81st CONGRESS
1st SESSION

H. R. 2632

[Report No. 138]

IN THE SENATE OF THE UNITED STATES

FEBRUARY 17, 1949
Read twice and referred to the Committee on Appropriations

MARCH 22 (legislative day, MARCH 18), 1949
Reported by Mr. MCKELLAR, with amendments

[Omit the part struck through and insert the part printed in italic]

AN ACT

Making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1949, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, to supply supplemental appropriations for the fiscal year ending June 30, 1949, and for other purposes, namely:

LEGISLATIVE BRANCH

SENATE

For payment to Vera C. Bushfield, widow of Harlan J. Bushfield, late a Senator from the State of South Dakota, $12,500.

For payment to Alice W. Broughton, widow of J. Melville Broughton, late a Senator from the State of North Carolina, $12,500.

OFFICE OF THE VICE PRESIDENT

For the expense allowance of the Vice President, fiscal year 1949, from January 20 to June 30, $4,500.

ADMINISTRATIVE AND CLERICAL ASSISTANTS TO SENATORS

The appropriation for administrative and clerical assistants and messenger service for Senators contained in the Legislative Branch Appropriation Act, 1949, is made available for the employment of an additional clerk at the basic rate of $1,500 per annum by each Senator from the States of California and Virginia, the population of said States having exceeded ten million and three million, respectively.

OFFICE OF SERGEANT AT ARMS AND DOORKEEPER

Hereafter the basic annual rates of compensation for two clerks at $3,480 each contained in the Legislative Branch Appropriation Act, 1949, shall be one at $4,260 and one at $2,700.

Commencing March 1, 1949, the appropriation for "Salaries of officers and employees of the Senate" contained in the Legislative Branch Appropriation Act, 1949, shall be available for the compensation of laborer in charge of private passage at $2,280 basic per annum in lieu of laborer in charge of private passage at $2,120.

CONTINGENT EXPENSES OF THE SENATE

~~Vice President's Automobile~~

Vice President's automobile: For an additional amount for "Vice President's automobile", *fiscal year 1949*, $2,500.

Postage stamps: For additional amounts for postage stamps, for the following offices: Office of the Secretary, $150; Office of the Sergeant at Arms, $75; in all, fiscal year 1949, $225.

Furniture: For an additional amount for furniture and repairs, fiscal year 1949, $6,000.

Commencing January 20, 1949, the provisions of existing law relating to long-distance telephone calls for Senators shall be equally applicable to the Vice President of the United States.

Notwithstanding the provisions of the Treasury-Post Office Appropriation Act, 1949, the appropriation "Miscellaneous items, contingent expenses of the Senate", shall be available for purchase of new or used typewriters at prices which do not exceed prices established under the provisions of the Treasury-Post Office Appropriation Act, 1949.

HOUSE OF REPRESENTATIVES

For payment to Temple W. West, widow of Milton H. West, late a Representative from the State of Texas, $12,500.

For payment to Lotti S. Delaney, widow of John J.

Delaney, late a Representative from the State of New York, $12,500.

For payment to Vera Bloom, daughter of Sol Bloom, late a Representative from the State of New York, $12,500.

CONTINGENT EXPENSES OF THE HOUSE

Miscellaneous Items

Notwithstanding the provisions of the Treasury Department Appropriation Act, 1949, the appropriation for "Miscellaneous items" for the House of Representatives in the Legislative Branch Appropriation Act, 1949, shall be available for purchase of new or used typewriters at prices which do not exceed prices established under the provisions of the Treasury Department Appropriation Act, 1949.

Joint Committee on Nonessential Federal Expenditures

For an amount which is hereby authorized to enable the Joint Committee on Reduction of Nonessential Federal Expenditures to carry out the duties imposed upon it by section 601 of the Revenue Act of 1941 (55 Stat. 726), to remain available during the existence of the committee, $20,000, to be disbursed by the Secretary of the Senate.

ARCHITECT OF THE CAPITOL

CAPITOL BUILDING, SENATE AND HOUSE ROOFS AND CHAMBERS

Capitol Building: For an additional amount to enable the Architect of the Capitol to carry forward the improvements affecting the House Wing of the Capitol authorized by the Second Deficiency Appropriation Act of June 27, 1940 (54 Stat. 629), as amended by the Acts of June 8, 1942 (56 Stat. 342), and July 17, 1945 (59 Stat. 472), $2,274,500. The Architect of the Capitol is authorized to enter into contracts, including cost-plus-a-fixed-fee contracts as approved by the Special Committee on Reconstruction of House Roof and Skylights and Remodeling of House Chamber, and to make such other expenditures as may be necessary for the improvements affecting the House Wing of the Capitol authorized by such Acts, in such amounts as may be approved by the House committee appointed under section 1 of the Act of July 17, 1945, notwithstanding the provisions of section 2 of that Act: *Provided*, That the amounts so approved by such committee may be obligated in full prior to the actual appropriation thereof.

THE JUDICIARY

Miscellaneous Items of Expense

fees of jurors

For an additional amount for "Fees of jurors", $300,000.

General Provisions

Notwithstanding the provisions of the Treasury Department Appropriation Act, 1949, appropriations in the Judiciary Appropriation Act, 1949, available for miscellaneous expenses or for salaries and expenses shall be available for purchase of new or used typewriters at prices which do not exceed prices established under the provisions of the Treasury Department Appropriation Act, 1949.

EXECUTIVE OFFICE OF THE PRESIDENT

Compensation of the President

For an additional amount, fiscal year 1949, for "Compensation of the President" from January 20 to June 30, including an expense allowance at the rate of $50,000 per annum, as authorized by Public Law 2, approved January 19, 1949, $33,437.52.

Office of Defense Transportation

salaries and expenses

For an additional amount for "Salaries and expenses", $95,000; and the limitation under this head in the Supplemental Independent Offices Appropriation Act, 1949, on the amount available for travel expenses is increased from

"$54,000" to "$65,000": *Provided,* That the appropriation under said head shall remain available until June 30, 1949: *Provided further,* That the sum of $60,000 made available under said head exclusively for terminal leave payments shall be available for any of the purposes specified under said head.

INDEPENDENT OFFICES

Displaced Persons Commission

For an additional amount for "Displaced Persons Commission", $1,200,000; and the limitation under this head in the Second Deficiency Appropriation Act, 1948, on the purchase of passenger motor vehicles, is increased from "fifteen" to "thirty-five".

Federal Security Agency

bureau of employees' compensation

Administrative Expenses, War Claims Act

For administrative expenses necessary for performing the duties imposed upon the Federal Security Administrator by the War Claims Act of 1948 (Public Law 896, approved July 3, 1948), $35,000, to be derived from the war claims fund created by section 13 (a) of said Act and to be advanced to and consolidated with the appropriation for "Salaries and expenses" under the Bureau of Employees' Compensation in the Federal Security Agency Appropriation Act, 1949.

Employees' Compensation Fund

For an additional amount for "Employees' compensation fund", $3,400,000.

SOCIAL SECURITY ADMINISTRATION

Grants to States for public assistance

For an additional amount for "Grants to States for public assistance", $151,000,000.

Grants to States for Unemployment Compensation and Employment Service Administration

For an additional amount for "Grants to States for unemployment compensation and employment service administration", ~~$10,000,000~~ *$14,000,000, of which $4,000,000 shall be available only upon determination by the Federal Security Administrator, with the approval of the Director of the Bureau of the Budget, that increased costs have resulted either from (1) increases in work load, or (2) increases in salaries of State employees, occurring after February 1, 1949.*

FEDERAL WORKS AGENCY

PUBLIC BUILDINGS ADMINISTRATION

Renovation and Modernization, Executive Mansion

For all expenses necessary for and incident to the renovation, repair, and modernization (without change of present architectural appearance of the exterior of the Mansion or

the interior of its main floor) of the Executive Mansion, including the preparation of drawings and specifications, and the purchase of furniture, furnishings, and equipment, without regard to section 3709 of the Revised Statutes or the civil-service and classification laws, $5,400,000, to remain available until expended: Provided, That any cost-plus-a-fixed-fee general construction contract entered into in pursuance of this authority shall be awarded on competitive bidding among responsible general contractors upon the amount of the fixed fee to accrue from the performance of such contract: Provided further, That with the exception of the subcontract to be made by the general contractor for the underpinning and foundation work and work incidental and appurtenant thereto, which may be a cost-plus-a-fixed-fee contract, all other subcontracts made by the general contractor shall be fixed price contracts awarded on competitive bids received from responsible subcontractors.

General Accounting Office Building, District of Columbia

The contract authority provided under this head in the Second Deficiency Appropriation Act, 1948, for the construction of a building for the use of the General Accounting Office, is increased in an amount not to exceed $2,550,000 under the revised limit of cost of $25,400,000.

BUREAU OF COMMUNITY FACILITIES

Maintenance and Operation of Schools

For an additional amount for "Maintenance and operation of schools", $3,000,000; and the limitation under this head in the Second Deficiency Appropriation Act, 1948, on the amount available for administrative expenses, is increased from "$100,000" to "$175,000".

HOUSING AND HOME FINANCE AGENCY

FEDERAL HOUSING ADMINISTRATION

The amount made available under this head in the Government Corporations Appropriation Act, 1949, for administrative expenses of the Federal Housing Administration, is increased from "$19,000,000" to ~~"$23,000,000"~~ *"$23,800,000"*; and the sources of funds for such administrative expenses shall include the housing investment insurance fund created by the Housing Act of 1948.

PUBLIC HOUSING ADMINISTRATION

The second proviso in the paragraph under the heading "Federal Public Housing Authority" in title I of the Government Corporations Appropriation Act, 1948, is hereby repealed as of July 1, 1947.

The second proviso in the paragraph under the heading "Public Housing Administration" in title I of the Government Corporations Appropriation Act, 1949, is hereby repealed as of July 1, 1948.

HOUSING EXPEDITER

SALARIES AND EXPENSES

For an additional amount for "Salaries and expenses, Office of the Housing Expediter", $4,800,000, *of which $3,600,000 is contingent upon the enactment of legislation continuing rent control beyond March 31, 1949: Provided, That if rent control and veterans' preference requirements under the Housing and Rent Act of 1947, as amended, are not extended by legislation beyond March 31, 1949, the said sum of $3,600,000 is hereby made available on account and in part payment of liquidation expenses, including terminal leave, of the Office of the Housing Expediter.*

MOTOR CARRIER CLAIMS COMMISSION

SALARIES AND EXPENSES

For expenses necessary for the Motor Carrier Claims Commission established by the Act of July 2, 1948 (Public Law 880), including personal services in the District of Columbia, travel expenses, printing and binding, and services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a), $50,000: Provided, That section 6 of the aforesaid Act of July 2, 1948, as amended, is further amended by striking out the words "nine months" and inserting in lieu thereof the words "fifteen months", and section 13 of said Act, as amended, is further amended by

striking out the words "nine months' period" and inserting in lieu thereof the words "fifteen months' period".

NATIONAL CAPITAL HOUSING AUTHORITY

MAINTENANCE AND OPERATION OF PROPERTIES

For an additional amount for "Maintenance and operation of properties", $3,300.

TENNESSEE VALLEY AUTHORITY

For an additional amount for "Tennessee Valley Authority", $2,950,000, to remain available until expended; and the limitation under this head in title I of the Government Corporations Appropriation Act, 1949, on the amount available for capital expenditures, is increased from "$21,689,000" to "$24,639,000": *Provided*, That the limitation under this head in title II of the Government Corporations Appropriation Act, 1949, on the amount available for administrative and general expenses of the Corporation, is increased from "$3,677,000" to "$3,988,000", and the limitation therein on the use for such purposes of funds appropriated by title I of said Act is hereby repealed.

THE TAX COURT OF THE UNITED STATES

SALARIES AND EXPENSES

The limitation imposed by section 104 of the Independent Offices Appropriation Act, 1949, on the amount available for travel expenses under this head, is increased from "$20,000" to "$26,000".

UNITED STATES MARITIME COMMISSION

VESSEL OPERATING FUNCTIONS

Not to exceed $4,568,000 of the unobligated balance on March 1, 1949, of the funds appropriated under this head in the Supplemental Independent Offices Appropriation Act, 1949, shall remain available until June 30, 1949.

VETERANS' ADMINISTRATION

NATIONAL SERVICE LIFE INSURANCE

For an additional amount for "National service life insurance", $55,000,000, to remain available until expended.

SOLDIERS' AND SAILORS' CIVIL RELIEF

For an additional amount for "Soldiers' and sailors' civil relief", $190,000, to remain available until expended.

VETERANS' MISCELLANEOUS BENEFITS

For an additional amount for "Veterans' miscellaneous benefits", $44,189,000, to remain available until expended.

WAR ASSETS ADMINISTRATION

SALARIES AND EXPENSES, SPECIAL FUND

For an additional amount for "Salaries and expenses, War Assets Administration, special fund", ~~$12,500,000~~ *$13,750,000,* to be derived from the special fund account in the Treasury as provided for in the First Deficiency Appropriation Act, 1946: *Provided,* That all funds appropriated under this head for the fiscal year 1949 shall be available during the entire fiscal year: *Provided further,* That notwith-

standing the provisions of any other law, not to exceed $4,000,000 of the proceeds of the disposal of surplus property or deductions from proceeds otherwise collectible as a result of the disposal of such property shall be available for such costs of renovation, restoration, rehabilitation, improvement, and repair of industrial facilities, as may be contracted for during the fiscal year 1949 if required for purposes of national defense or for the protection of the public or of private property from the effects of the operation of such facilities: *Provided further,* That the effective date for abolishing the office of the War Assets Administrator, terminating the existence of the War Assets Administration, and transferring to other Federal agencies its responsibility for disposal of property declared surplus prior to July 1, 1948, as prescribed by the Supplemental Independent Offices Appropriation Act, 1949, is hereby changed from "February 28, 1949", to "June 30, 1949", or such earlier date as may be established by legislation enacted during the first session of the Eighty-first Congress.

WAR CLAIMS COMMISSION

ADMINISTRATIVE EXPENSES

For expenses necessary for the War Claims Commission, including personal services in the District of Columbia; travel expenses; printing and binding; services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C.

55a); and advances or reimbursements to other Government agencies for use of their facilities and services in carrying out the functions of the Commission; $100,000, to be derived from the war claims fund created by section 13 (a) of the War Claims Act of 1948 (Public Law 896, approved July 3, 1948): Provided, That the date fixed by section 8 (a) of the War Claims Act of 1948 for submission of the report required by said section is changed from "March 31, 1949", to "December 31, 1949".

PAYMENT OF CLAIMS

For payment of claims, as authorized by the War Claims Act of 1948, from funds deposited in the Treasury to the credit of the war claims fund created by section 13 (a) of said Act, such sums as may be necessary, to be available to the Secretary of the Treasury for payment of claims under sections 4 (a), 4 (b) (2), 5 (e), 6 (b), and 7 of said Act to the payees named and in the amounts stated in certifications by the War Claims Commission and the Federal Security Administrator or their duly authorized representatives, which certifications shall be in lieu of any vouchers which might otherwise be required: Provided, That this appropriation shall not be available for administrative expenses.

DEPARTMENT OF AGRICULTURE

Office of Information

PRINTING AND BINDING

The limitation under this head in the Department of Agriculture Appropriation Act, 1949, on the amount which may be transferred to this appropriation from other appropriations of the Department of Agriculture, is increased from "$145,000" to "$170,500".

Agricultural Research Administration

BUREAU OF ENTOMOLOGY AND PLANT QUARANTINE

Control of Emergency Outbreaks of Insects and Plant Diseases

For an additional amount for "Control of emergency outbreaks of insects and plant diseases", ~~$1,000,000~~ *$1,350,000: Provided, That a report shall be made by the Secretary of Agriculture to the Senate and House Appropriation Committees covering expenditures from the fiscal year 1949 appropriations for this purpose.*

Production and Marketing Administration

CONSERVATION AND USE OF AGRICULTURAL LAND RESOURCES

For an additional amount for "Conservation and use of agricultural land resources", for formulating and carrying out programs under the ~~Agriculutral~~ *Agricultural* Adjustment Act of 1938, as amended, including cotton and wheat

marketing quota programs, $9,734,500; and the limitation under this head in the Department of Agriculture Appropriation Act, 1949, on the amount available during the fiscal year 1949 for salaries and other administrative expenses, is increased from "$24,500,000" to "$34,234,500"; and the limitation under said head on the amount available for transfer to the appropriation account "Administrative expenses, section 392, Agricultural Adjustment Act of 1938", is increased from "$7,000,000" to "$8,284,000".

Farmers' Home Administration

loans to farmers, property damage

The funds appropriated under the head "Loans to farmers, 1948 flood damage", in the Second Deficiency Appropriation Act, 1948, shall remain available until June 30, 1950, in accordance with the terms and conditions specified under said head, to provide assistance to farmers whose property is destroyed or damaged as a result of floods, storms, or other natural calamity during the calendar years 1948 and 1949.

Commodity Credit Corporation

administrative expenses, commodity credit corporation

The limitation under this head in the Department of Agriculture Appropriation Act, 1949, on the amount avail-

able for administrative expenses of the Corporation, is increased from "$7,575,000" to "$10,814,700".

DEPARTMENT OF COMMERCE

Office of the Secretary

VOLUNTARY AGREEMENTS

For an additional amount for "Voluntary agreements", $190,000.

Bureau of the Census

CENSUS OF BUSINESS

For an additional amount for "Census of business", $11,000,000, to remain available until December 31, 1951; and appropriations under this head shall be available for health service programs as authorized by law (5 U. S. C. 150), and for compensation of employees of the Department of Commerce and other departments and independent agencies of the Government who may be detailed for field work.

Civil Aeronautics Administration

CLAIMS, FEDERAL AIRPORT ACT

For reimbursement, in accordance with section 17 of the Federal Airport Act, as amended, to public agencies for necessary rehabilitation and repair to public airports damaged by Federal agencies, $1,227,140, to remain available until June 30, 1953, as follows: Greensboro-High Point Airport, Greensboro, North Carolina, $197,813; Buffalo Municipal Airport, Buffalo, New York, $594,344; Nan-

tucket Airport, Nantucket, Massachusetts, $57,582; Detroit-Wayne Major Airport, Wayne County, Michigan, $168,689; Adams Field, Little Rock Municipal Airport, Little Rock, Arkansas, $187,072; and Galveston Municipal Airport, Galveston, Texas, $21,640.

COAST AND GEODETIC SURVEY

SALARIES AND EXPENSES, FIELD

For an additional amount for "Salaries and expenses, field", ~~$290,000~~ *$366,000*.

BUREAU OF FOREIGN AND DOMESTIC COMMERCE

EXPORT CONTROL

For an additional amount for "Export control", $1,000,000; and limitations under this head in the Second Deficiency Appropriation Act, 1948, on amounts available for transfer to other appropriations are increased as follows: Bureau of Customs, from "$1,350,000" to "$1,500,000".

DEPARTMENT OF THE INTERIOR

OFFICE OF THE SECRETARY

EXPENSES, POWER TRANSMISSION FACILITIES

For an additional amount for "Expenses, power transmission facilities", $131,000.

BONNEVILLE POWER ADMINISTRATION

CONSTRUCTION, OPERATION, AND MAINTENANCE

For an additional amount for "Construction, operation and maintenance, Bonneville power transmission system",

$6,047,800, to remain available until expended; and the limitation under this head in the Interior Department Appropriation Act, 1949, on expenses for operation and maintenance of the Bonneville transmission system, is increased from "$3,231,800" to "$3,521,600"; ~~and the limitations under said head on force account activities and on salaries and expenses in connection with informational work are hereby repealed~~ *and the limitation under said head on force account activities is hereby amended to read as follows: ": Provided further, That not exceeding 10 per centum of any construction appropriations for the Bonneville Power Administration contained in this Act shall be available for wages for construction work by force account, or on a hired-labor basis, except in case of emergencies, local in character, so declared by the Bonneville Power Administrator"*: *Provided,* That, in addition to the contract authorization contained under said head, the Administrator is authorized to contract in the fiscal year 1949 for materials, equipment, and services for power transmission facilities in an amount not in excess of $1,452,200.

Bureau of Indian Affairs

navajo and hopi service

Agency Services

For an additional amount for "Agency services", ~~$360,000~~ *$1,310,000: Provided,* ~~That after the approval~~

~~of this Act no payment shall be made from this appropriation to Indians who are eligible for benefit payments under the Social Security Act~~: *Provided, That a detailed report shall be made by the Secretary of the Interior to the Senate and House Appropriation Committees covering expenditures from the fiscal year 1949 appropriations for the education of the Navajo and Hopi Indians.*

CONSERVATION OF HEALTH

For an additional amount for "Conservation of health", $50,000.

WELFARE OF INDIANS

For an additional amount for "Welfare of Indians", ~~$385,000~~ *$535,000: Provided,* ~~That after the approval of this Act no payment shall be made from this appropriation to Indians who are eligible for benefit payments under the Social Security Act~~.

ALASKA NATIVE SERVICE

Vessel Conversion

For expenses necessary in converting and outfitting a vessel for use as a service and supply ship by the Alaska Native Service, $700,000, to remain available until expended.

PAYMENT TO CHOCTAW AND CHICKASAW NATIONS OF INDIANS, OKLAHOMA

For payment to the Choctaw and Chickasaw Nations of Indians in fulfillment of the terms of a contract between

the United States of America and the said nations as authorized by the Act of June 28, 1944 (58 Stat. 483), and as ratified by the Act of June 24, 1948 (Public Law 754), $8,359,000, of which not to exceed $50,000 shall be available until expended for defraying the expenses, including printing and binding, of making the per capita payment authorized by the above Acts: Provided, That in addition to the per capita payment, the Secretary of the Interior, in his discretion, is authorized to distribute per capita to the enrolled members of the Choctaw and Chickasaw Nations, entitled under existing law to share in the funds of such tribes, or to their lawful heirs or devisees determined in the manner prescribed in section 4 of the aforesaid Act of June 24, 1948, any or all the funds held by the Government of the United States for the benefit of said tribes.

INDIANS OF CALIFORNIA

Pursuant to Public Law 852, Eightieth Congress, second session, approved June 30, 1948, the sum of $25,000 is hereby made available out of any funds in the Treasury of the United States to the credit of the Indians of California, to remain available until expended, to be used to defray the expenses incurred by the Secretary of the Interior in revising the roll as provided by law.

Bureau of Reclamation

force account work

~~That part of the Interior Department Appropriation Act, 1949, which reads "not exceeding 8 per centum of the construction appropriation for any project under the Bureau of Reclamation contained in this Act shall be available for construction work by force account, or on a hired labor basis, except for projects or items the estimated construction cost of which does not exceed $200,000, and only then in cases where the Bureau of Reclamation finds the lowest bids to be excessive" is hereby repealed.~~

That part of the Interior Department Appropriation Act for 1949 which reads: "Not exceeding 8 per centum of the construction appropriation for any project under the Bureau of Reclamation contained in this Act shall be available for construction work by force account, or on a hired labor basis, except for projects or items the estimated construction cost of which does not exceed $200,000, and only then in cases where the Bureau of Reclamation finds the lowest bids to be excessive." is hereby repealed and in lieu thereof the following provision is hereby inserted: "Not exceeding 10 per centum of the construction appropriation for the Bureau of Reclamation for any project contained in this Act shall be available for

wages for construction work by force account and on a hired-labor basis; except that not to exceed $500,000 may on approval of the Commissioner be expended for wages for construction work by force account on any one project when the work is unsuitable for contract or when excessive bids are received; and except in cases of emergencies local in character, so declared by the Commissioner."

GENERAL FUND

Construction

For additional amounts for "Construction", to remain available until expended, as follows:

Davis Dam project, Arizona-Nevada, ~~$4,500,000~~ *$5,000,000*;

Colorado-Big Thompson project, Colorado, ~~$1,800,000~~ *$2,000,000*;

Columbia Basin project, Washington, ~~$4,500,000~~ *$5,000,000.*

Missouri River Basin

For an additional amount for "Missouri River Basin," reimbursable to the extent and as provided in the Act of December 22, 1944 (58 Stat. 887), ~~$4,500,000~~ *$5,100,000*, to remain available until expended.

RECLAMATION FUND

The following sums are appropriated out of the recla-

mation fund created by the Act of June 17, 1902, as follows:

General Offices

Salaries and expenses (other than project offices)

For an additional amount for "Salaries and expenses (other than project offices)", $260,000~~: *Provided,* That in addition to the amount appropriated under this head in the Interior Department Appropriation Act, 1949, there shall be available for expenditure under said head any sums transferred thereto for work performed or to be performed for the benefit of specific projects or undertakings for which other funds or appropriations of the Bureau of Reclamation are available; and the first, fourth, and fifth provisos under said head are hereby repealed~~: *Provided, That the limitation of $7,800,000 contained in the first proviso under this head in the Interior Department Appropriation Act, 1949, is hereby increased to $8,410,000: Provided further, That the limitation of $48,000,000 contained in the fourth proviso under this head in said Act is hereby increased to $53,376,000.*

~~Effective January 31, 1949, the proviso under this head in the Interior Department Appropriation Act, 1949, which reads: "*Provided further,* That after January 31, 1949, no part of any appropriation for the Bureau of Reclamation~~

~~contained in this Act shall be used for the salaries and expenses of a person in any of the following positions in the Bureau of Reclamation, or of any person who performs the duties of any such position, who is not a qualified engineer with at least five years' engineering and administrative experience: (1) Commissioner of Reclamation; (2) Assistant Commissioner of Reclamation; and (3) Regional Director of Reclamation—" is hereby repealed.~~

Construction

For additional amounts for "Construction", to remain available until expended, as follows:

Boise project, Idaho, Payette division, $275,000;

Lewiston Orchards project, Idaho, ~~$300,000~~ *$350,000*;

Provo River project, Utah, ~~$400,000~~ *$500,000*, of which $215,000 is for the payment of obligations incurred under authority provided under this head in the Interior Department Appropriation Act, 1948.

Operation and Maintenance

Colorado-Big Thompson project, Colorado

For an additional amount for "Colorado-Big Thompson project", from power revenues, $52,000.

North Platte project, Nebraska-Wyoming

For an additional amount for "North Platte project, Nebraska-Wyoming", from power revenues, $17,500.

Kendrick project, Wyoming

For an additional amount for "Kendrick project, Wyoming", from power revenues, $131,000.

Emergency Fund

For establishing an emergency fund as authorized by the Act of June 26, 1948 (Public Law 790), $1,000,000, to remain available until expended for the purposes specified in said Act.

NATIONAL MILITARY ESTABLISHMENT

Department of the Army—Military Functions

Secretary of the Army

EXPEDITING PRODUCTION

The sum of $2,000,000 of the appropriation "Expediting production of equipment and supplies for national defense, fiscal years 1942–1946", shall remain available until June 30, 1949, for the payment of obligations incurred under contracts executed thereunder prior to July 1, 1946.

Department of the Army—Civil Functions

CORPS OF ENGINEERS

Rivers and Harbors and Flood Control

The limitation under this head in the Civil Functions Appropriation Act, 1949, on the amount available for payment of salaries in the Office of the Chief of Engineers, is increased from "$1,250,000" to "$1,341,740".

Rivers and Harbors

Maintenance and improvement of existing river and harbor works

For an additional amount for "Maintenance and improvement of existing river and harbor works", ~~$10,500,000~~ *$10,509,000,* to remain available until expended.

Flood Control

Flood control, general

For an additional amount for "Flood control, general", $14,000,000, to remain available until expended.

Flood control, general (emergency fund)

For an additional amount for "Flood control, general (emergency fund)", as authorized by the Flood Control Act of 1948 (Public Law 858, approved June 30, 1948), ~~$2,500,000~~ *$20,000,000,* to remain available until expended: *Provided, That not to exceed $2,000,000 shall be made available under the provisions of and for the purposes enumerated in section 205 of the above Act.*

POST OFFICE DEPARTMENT

(Out of Postal Revenues)

FIELD SERVICE, POST OFFICE DEPARTMENT

OFFICE OF THE POSTMASTER GENERAL

Damage Claims

For an additional amount for "Damage claims", $250,000.

OFFICE OF THE SECOND ASSISTANT POSTMASTER GENERAL

Railroad Transportation and Mail Messenger Service

For an additional amount for "Railroad transportation and mail messenger service", $70,000,000.

Railway Mail Service, Travel Allowance

For an additional amount for "Railway mail service, travel allowance", $2,727,000.

Foreign Air Mail Service

For an additional amount for "Foreign air mail service", $17,000,000.

OFFICE OF THE FOURTH ASSISTANT POSTMASTER GENERAL

Vehicle Service

For an additional amount for "Vehicle service", $13,000,000.

TREASURY DEPARTMENT

Fiscal Service

BUREAU OF ACCOUNTS

Payment of Certified Claims

For an additional amount for "Payment of certified claims", $2,300,000.

Refund of Moneys Erroneously Received and Covered

For an additional amount for "Refund of moneys erroneously received and covered", $800,000.

BUREAU OF ENGRAVING AND PRINTING

SALARIES AND EXPENSES

For an additional amount, fiscal year 1949, for "Salaries and expenses", $1,500,000.

BUREAU OF THE MINT

SALARIES AND EXPENSES

For an additional amount for "Salaries and expenses", $250,000: *Provided,* That appropriations under this head for the fiscal year 1949 shall be available for paying wage increases effective from the date of approval by the Treasury Department.

TITLE II—CLAIMS FOR DAMAGES, AUDITED CLAIMS, AND JUDGMENTS

For payment of claims for damages as settled and determined by departments and agencies in accord with law, audited claims certified to be due by the General Accounting Office, and judgments rendered against the United States by United States district courts and the United States Court of Claims, as set forth in Senate Documents Numbered 15 and 24, Eighty-first Congress, $22,700,571.07, together with such amounts as may be necessary to pay interest (as and when specified in such judgments or in certain of the settlements of the General Accounting Office or provided by law) and such additional sums due to increases in rates of exchange as may be necessary to pay claims in foreign cur-

rency: Provided, That no judgment herein appropriated for shall be paid until it shall have become final and conclusive against the United States by failure of the parties to appeal or otherwise: Provided further, That, unless otherwise specifically required by law or by the judgment, payment of interest wherever appropriated for herein shall not continue for more than thirty days after the date of approval of this Act.

TITLE III—GENERAL PROVISIONS

SEC. ~~2~~ *301.* No part of any appropriation contained in this Act shall be used to pay the salary or wages of any person who engages in a strike against the Government of the United States or who is a member of an organization of Government employees that asserts the right to strike against the Government of the United States, or who advocates, or is a member of an organization that advocates, the overthrow of the Government of the United States by force or violence: *Provided,* That for the purposes hereof an affidavit shall be considered prima facie evidence that the person making the affidavit has not contrary to the provisions of this section engaged in a strike against the Government of the United States, is not a member of an organization of Government employees that asserts the right to strike against the Government of the United States, or that such person does not advocate, and is not a member of an organi-

zation that advocates, the overthrow of the Government of the United States by force or violence: *Provided further,* That any person who engages in a strike against the Government of the United States or who is a member of an organization of Government employees that asserts the right to strike against the Government of the United States, or who advocates, or who is a member of an organization that advocates, the overthrow of the Government of the United States by force or violence and accepts employment the salary or wages for which are paid from any appropriation contained in this Act shall be guilty of a felony and, upon conviction, shall be fined not more than $1,000 or imprisoned for not more than one year, or both: *Provided further,* That the above penalty clause shall be in addition to, and not in substitution for, any other provisions of existing law.

~~SEC. 3. The provision in the Treasury Department Appropriation Act, 1949, which places a limit on the price which may be paid for such typewriters as may be purchased under the Act shall not apply to the purchase of office-type machines which are designed and constructed primarily to compose and print master copies for quantity reproduction by another process.~~

SEC. ~~4~~ *302*. This Act may be cited as the "First Deficiency Appropriation Act, 1949".

Passed the House of Representatives February 16, 1949.

Attest: RALPH R. ROBERTS,

Clerk.

Calendar No. 120

81ST CONGRESS
1ST SESSION

H. R. 2632

[Report No. 138]

AN ACT

Making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1949, and for other purposes.

FEBRUARY 17, 1949
Read twice and referred to the Committee on Appropriations

MARCH 22 (legislative day, MARCH 18), 1949
Reported with amendments

81ST CONGRESS
1ST SESSION

H. R. 2632

IN THE SENATE OF THE UNITED STATES

APRIL 11, 1949
Ordered to be printed

AMENDMENTS

Proposed by Mr. BRIDGES to the bill (H. R. 2632) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1949, and for other purposes, viz:

On page 12, line 9, strike out "$2,950,000" and insert in lieu thereof "$450,000".

On page 12, line 13, strike out "$24,639,000" and insert in lieu thereof "$22,139,000".

4-11-49——D

81ST CONGRESS
1ST SESSION

H. R. 2632

AMENDMENTS

Proposed by Mr. BRIDGES to the bill (H. R. 2632) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1949, and for other purposes.

APRIL 11, 1949
Ordered to be printed

MRS. LUCILLE DAVIDSON

The bill (H. R. 591) for the relief of Mrs. Lucille Davidson was considered, ordered to a third reading, read the third time, and passed.

JAMES W. KEITH

The bill (H. R. 592) for the relief of James W. Keith was considered, ordered to a third reading, read the third time, and passed.

EUGENE J. BEARMAN

The bill (H. R. 618) for the relief of Eugene J. Bearman was considered, ordered to a third reading, read the third time, and passed.

ELIZABETH B. MURPHY

The bill (H. R. 659) for the relief of Mrs. Elizabeth B. Murphy was considered, ordered to a third reading, read the third time, and passed.

JOHN J. O'NEIL

The bill (H. R. 729) for the relief of John J. O'Neil was considered, ordered to a third reading, read the third time, and passed.

MARY JANE HARRIS

The bill (H. R. 739) for the relief of Mary Jane Harris was considered, ordered to a third reading, read the third time, and passed.

B. JOHN HANSON

The bill (H. R. 745) for the relief of B. John Hanson was considered, ordered to a third reading, read the third time, and passed.

R. C. OWEN, R. C. OWEN, JR., AND ROY OWEN

The bill (H. R. 1036) for the relief of R. C. Owen, R. C. Owen, Jr., and Roy Owen was announced as next in order.

Mr. FERGUSON. Mr. President, I should like to have an explanation of the bill, particularly in the light of the objection made by the Secretary of the Treasury, on page 4 of the report.

Mr. McCARRAN. Mr. President, by way of explanation, the position taken by the Treasury Department is somewhat mystifying to the committee, in view of the fact that in the Eighty-first Congress the Department sought and obtained introduction of a bill, Senate bill 196, for the relief of one of its own employees who was responsible for the total loss of a far more substantial number of internal-revenue stamps under circumstances which at least raised the question of gross negligence, aside from the fact that none of the missing stamps were ever recovered, nor was there more than a reasonable hypothesis on which to base an explanation of their disappearance. The claimants in this case, through no fault or negligence on their part, have suffered an out-of-pocket loss which is definitely determinable, and the Government has correspondingly been unjustly enriched.

Mr. FERGUSON. I have no objection.

There being no objection, the bill (H. R. 1036) for the relief of R. C. Owen, R. C. Owen, Jr., and Roy Owen was considered, ordered to a third reading, read the third time, and passed.

FIRST DEFICIENCY APPROPRIATION, 1949

The PRESIDING OFFICER. The hour of 2 o'clock having arrived, the morning hour is terminated, and the Chair lays before the Senate the unfinished business, which is the first deficiency appropriation bill.

Mr. McCARRAN. Mr. President, would there be any objection to continuing to completion the call of the calendar?

The PRESIDING OFFICER. Does the Senator from Nevada ask unanimous consent that that be done?

Mr. McCARRAN. I ask unanimous consent.

The PRESIDING OFFICER. Is there objection?

Mr. McKELLAR. Mr. President, I shall not object, unless it will take too long. I am sure the Senator from Nevada wants the Senate to get to the consideration of the deficiency appropriation bill, in which every Senator is interested.

Mr. CHAVEZ. Mr. President, I hope the Senator from Tennessee will agree to the unanimous-consent request.

The PRESIDING OFFICER. Without objection, the unanimous-consent request is agreed to, and the clerk will continue the call of the calendar.

Mr. WHERRY. Mr. President, does the agreement provide that we shall proceed to a conclusion of the call of the calendar, with no time limitation?

The PRESIDING OFFICER. The request was that the call be continued, and no objection was raised.

Mr. WHERRY. Just what is the order?

The PRESIDING OFFICER. That the call of the calendar shall be continued.

Mr. McCARRAN. That we may proceed to the conclusion of the calendar.

The PRESIDING OFFICER. The clerk will state the next order of business on the calendar.

MRS. WESLEY BERK

The bill (H. R. 1043) for the relief of Mrs. Wesley Berk (formerly Mrs. Ruth Cameron) was considered, ordered to a third reading, read the third time, and passed.

BERNICE GREEN

The bill (H. R. 1061) for the relief of Bernice Green was considered, ordered to a third reading, read the third time, and passed.

JAMES LEON KEATON

The bill (H. R. 1066) for the relief of James Leon Keaton was considered, ordered to a third reading, read the third time, and passed.

RELIEF OF THE COUNTY OF ALLEGHENY, PA.

The bill (H. R. 1959) for the relief of the county of Allegheny, Pa., was announced as next in order.

Mr. HENDRICKSON. Mr. President, may we have an explanation of this bill?

Mr. McCARRAN. Mr. President, the purpose of the proposed legislation is to pay the sum of $29,147.50 to Allegheny County, Pa., in full settlement of all claims against the United States for damages sustained by a fire which completely destroyed a building known as "Agricultural Hall," located in South Park, Allegheny County, Pa., on February 16, 1944, while being occupied and used by and exclusively under the control of the War Department.

The PRESIDING OFFICER. Is there objection to the consideration of the bill?

Mr. HENDRICKSON. I have no objection.

There being no objection, the bill was considered, ordered to a third reading, read the third time, and passed.

RELIEF OF THE LEGAL GUARDIAN OF JOSEPH DE SOUZA, JR.

The bill (H. R. 2708) for the relief of the legal guardian of Joseph De Souza, Jr., was considered, ordered to a third reading, read the third time, and passed.

FEES, EXPENSES, AND COSTS OF JURORS

The Senate proceeded to consider the bill (S. 635) to increase the fees of witnesses in the United States Courts and before United States Commissioners, and for other purposes, which had been reported from the Committee on the Judiciary with an amendment, on page 1, line 6, after the word "witness", to strike out "atending", and insert "attending", so as to make the bill read:

Be it enacted, etc., That section 1821 of title 28, United States Code, is hereby amended to read as follows:

"SEC. 1821. Per diem and mileage generally; subsistence. A witness attending in any court of the United States or before a United States commissioner or person taking his deposition pursuant to any order of a court of the United States, shall receive $4 for each day's attendance and for the time necessarily occupied in going to and returning from the same, and 7 cents per mile for going from and returning to his place of residence. Witnesses who are not salaried employees of the Government and who are not in custody and who attend at points so far removed from their respective residence as to prohibit return thereto from day to day shall be entitled to an additional allowance of $5 per day for expenses of subsistence including the time necessarily occupied in going to and returning from the place of attendance: *Provided,* That in lieu of the mileage allowance provided for herein, witnesses who are required to travel between the Territories, possessions, or to and from the continental United States, shall be entitled to the actual expenses of travel at the lowest first-class rate available at the time of reservation for passage, by means of transportation employed: *Provided further,* That this section shall not apply to Alaska."

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

FEES, EXPENSES AND COSTS OF JURORS

The Senate proceeded to consider the bill (S. 1042) relating to the payment of fees, expenses, and costs of jurors, which had been reported from the Committee on the Judiciary with an amendment, on page 2, line 11, to strike out "$4", and insert "$5", so as to make the bill read:

Be it enacted, etc., That the second, third, and fourth paragraphs of section 1871 of title 28 of the United States Code, entitled "Judiciary and Judicial Procedures," are hereby amended to read as follows:

"For actual attendance at the place of trial or hearing and for the time necessarily oc-

cupied in going to and from such place at the beginning and end of such service or at any time during the same, $7 per day, except that any juror required to attend more than 30 days in hearing one case may be paid in the discretion and upon the certification of the trial judge a per diem fee not exceeding $10 for each day in excess of 30 days he is required to hear such case.

"For the distance necessarily traveled to and from a juror's residence by the shortest practicable route in going to and returning from the place of service at the beginning and at the end of the term of service and for all additional necessary daily transportation expense, 7 cents per mile, except that if daily travel appears impracticable, subsistence of $5 per day shall be allowed. Whenever in any case the jury is ordered to be kept together and not to separate, the cost of subsistence during such period shall be paid by the United States marshal upon the order of the court in lieu of the foregoing subsistence allowance.

"Jury fees and travel and subsistence allowances provided by this section shall be paid by the United States marshal on the certificate of the clerk of the court, and in the case of jury fees in excess of $7 per diem, when allowed as hereinabove provided, on the certificate of the trial judge."

SEC. 2. The act entitled "An act relating to the payment of fees, expenses, and costs of jurors," approved June 25, 1948 (ch. 652, 62 Stat. 1016), is hereby repealed.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

LAURA SPINNICHIA

The Senate proceeded to consider the bill (H. R. 652) for the relief of Laura Spinnichia, which had been reported from the Committee on the Judiciary with an amendment, on page 1, line 11, before the word "Hall", to strike out "McDonald" and insert "MacDonough."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

RELIEF OF THE LEGAL GUARDIAN OF ROSE MARY AMMIRATO, A MINOR

The Senate proceeded to consider the bill (H. R. 1501) for the relief of the legal guardian of Rose Mary Ammirato, a minor, which had been reported from the Committee on the Judiciary with an amendment, on page 2, after line 9, to insert a new section as follows:

SEC. 2. Private Law 447, Eightieth Congress, is hereby repealed.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

CLAIM OF MRS. FLORENCE BENOLKEN

The Senate proceeded to consider the bill (S. 189) conferring jurisdiction upon the United States District Court for the District of Nebraska to hear, determine, and render judgment upon the claim of Mrs. Florence Benolken, which had been reported by the Committee on the Judiciary with amendments, on page 1, line 6, after the words "compensation for" to insert "any and all;" and on line 8, before the word "advised", to strike out the word "erroneously", so as to make the bill read:

Be it enacted, etc., That jurisdiction is hereby conferred upon the United States District Court for the District of Nebraska to hear, determine, and render judgment upon the claim of Mrs. Florence Benolken, of Omaha, Nebr., for compensation for any and all losses sustained by her as a result of having been advised by representatives of the War Department that she was not entitled to have her household goods shipped at Government expense from Seattle, Wash., to Omaha, Nebr., subsequent to the death in October 1942, of her husband, Lt. Francis John Benolken, while serving on active duty in the Army of the United States.

SEC. 2. In the determination of such claims, the United States shall be held liable for damages, and for any negligent or wrongful acts or omissions of any of its officers or employees, to the same extent as if the United States were a private person in accordance with the law of the place where the acts or omissions occurred.

SEC. 3. Notwithstanding any statute of limitations or lapse of time, suit upon such claim may be instituted by the claimant within 1 year after the date of enactment of this act. Proceedings for the determination of such claim and review thereof, and payment of any judgment thereon, shall be had as in the case of claims over which such court has jurisdiction under the provisions of paragraph "Twentieth" of section 24 of the Judicial Code, as amended.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

BADGE OF THE AMERICAN LEGION

The bill (S. 646) granting a renewal of patent No. 54,296, relating to the badge of the American Legion, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That a certain design patent issued by the United States Patent Office of date of December 9, 1919, being patent No. 54,296, is hereby renewed and extended for a period of 14 years from and after the date of approval of this act, with all the rights and privileges pertaining to the same, being generally known as "the badge of the American Legion."

BADGE OF THE AMERICAN LEGION AUXILIARY

The bill (S. 647) granting a renewal of patent No. 55,398, relating to the badge of the American Legion Auxiliary, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That a certain design patent issued by the United States Patent Office of date of June 1, 1920, being patent No. 55,398, is hereby renewed and extended for a period of 14 years from and after the date of approval of this act, with all the rights and privileges pertaining to the same, being generally known as "the badge of the American Legion Auxiliary."

BADGE OF THE SONS OF THE AMERICAN LEGION

The bill (S. 676) granting a renewal of patent No. 92,187, relating to the badge of the Sons of the American Legion, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That a certain design patent issued by the United States Patent Office of date of May 8, 1934, being patent No. 92,187, is hereby renewed and extended for a period of 14 years from and after the date of approval of this act, with all the rights and privileges pertaining to the same, being generally known as the badge of The Sons of The American Legion.

BILL PASSED OVER

The bill (S. 734) to provide for the appointment and compensation of counsel for impoverished dependents in certain criminal cases in the United States district courts, was announced as next in order.

Mr. GEORGE. Mr. President, at the request of my colleague, the junior Senator from Georgia [Mr. RUSSELL], I ask that this bill go over.

The PRESIDING OFFICER. On objection of the Senator from Georgia, the bill will be passed over.

ESTABLISHMENT OF GRADE OF GENERAL OF THE AIR FORCE

The Senate proceeded to consider the bill (S. 796) to establish the grade of General of the Air Force, and for other purposes, which has been reported from the Committee on Armed Services with an amendment, on page 1, line 9, after the word "herewith" to strike out "designated" and insert "redesignated", so as to make the bill read:

Be it enacted, etc., That there is hereby established in the United States Air Force the grade of General of the Air Force.

SEC. 2. The grade of any individual transferred in the grade of general of the Army from the Regular Army to the United States Air Force, pursuant to the National Security Act of 1947 (act of July 26, 1947; 61 Stat. 695), is herewith redesignated "General of the Air Force."

SEC. 3. Nothing herein shall be construed as appointing any individual to a new or different office or to alter or prejudice the status of any individual concerned so as to deprive him of any pay or allowances, rights, benefits, or privileges to which he may be entitled under existing law.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

APPOINTMENT OF OFFICERS ON THE ACTIVE LIST OF THE PHILIPPINE SCOUTS IN THE REGULAR ARMY

The Senate proceeded to consider the bill (S. 1181) to authorize the appointment of officers on the active list of the Philippine Scouts in the Regulary Army, and for other purposes, which had been reported from the Committee on Armed Services with an amendment, on page 1, line 9, after the date "1933" to insert "and who are or become citizens of the United States prior to appointment hereunder", so as to make the bill read:

Be it enacted, etc., That until a date 1 year following the date of enactment of this act, and within the authorized active list commissioned officer strength of the Regular Army, the President, by and with the advice and consent of the Senate, is authorized to appoint officers on the active list of the Philippine Scouts, who were appointed therein prior to June 30, 1933, and who are or become citizens of the United States prior to appointment hereunder, in the Regular Army in the same commissioned officer grades as are held by such officers in the Philippine Scouts at the time of appointment.

SEC. 2. The names of officers so appointed shall be entered on the Army promotion list

that payments made to the organization or any of its representatives for any purpose by any land and water right or water-right applicant shall not be applied to any tax or assessment of the organization if any obligations payable to the United States under the act of January 25, 1917, as amended, or the joint resolution of February 21, 1925, remain due and unpaid. Such contract shall further provide that any lien held by the organization on lands covered by any land and water right or water-right application shall be inferior to the rights of the United States with respect to charges upon such lands under the act of January 25, 1917, as amended, or the joint resolution of February 21, 1925, and to the lien thereon reserved by the United States pursuant to section 5 (b) of this act.

(b) Upon the execution of a satisfactory contract pursuant to subsection (a), subject to the availability of funds therefor, the Secretary is authorized to proceed with such construction, extensions, and improvements as may be necessary to effectuate the purpose of such contract.

SEC. 5. (a) After a contract shall have been executed pursuant to section 4, land and water rights in the Yuma auxiliary project may be sold at private sale, pursuant to the provisions of the act of January 25, 1917 (39 Stat. 868), as amended, and the joint resolution of February 21, 1925 (43 Stat. 962), for a purchase price of not less than (1) $32 per acre for the land and (2) a sum for the water right consisting of not less than $160 per acre for the cost of the reclamation works previously constructed exclusively for the Yuma auxiliary project. Such purchase price shall be in addition to any charges or assessments which may be levied by the organization to pay for the per acre construction, extension, and improvement costs allocable to such land under any contract executed pursuant to section 4 of this act: *Provided*, That said purchase price shall not include any part of the cost of works of the Yuma project and such costs, less applicable credits, shall not be repayable to the United States: *And provided further*, That after a contract shall have been executed pursuant to section 4 and water is ready for delivery to the Yuma auxiliary project through the works of the Gila project, the water users of the Yuma auxiliary project shall cease to be liable for any charges for the operation and maintenance of the Yuma project, except such charges as may then be due and unpaid.

(b) To insure payment of any sums due or which may become due to the United States under land and water right or water-right applications under the act of January 25, 1917, as amended, and the joint resolution of February 21, 1925, the United States, as of the date of the application, shall have a lien for the entire amount of its charges which shall be prior to all other liens, mortgages, claims, or interests whatsoever. Upon default of payment of any amount so due, the United States is empowered to declare the whole of the unaccrued portion of the charges due and payable and may file suit to foreclose the lien for all accrued charges in any court of competent jurisdiction and sell said land to satisfy the obligation due the United States. This remedy, however, shall not be exclusive.

SEC. 6. All provisions of the Act of January 15, 1917 (39 Stat. 868), as amended, and the joint resolution of February 21, 1925 (43 Stat. 962), not inconsistent with the provisions of this act shall remain in full force and effect.

SEC. 7. After a contract shall have been executed pursuant to section 4 and water is ready for delivery to the Yuma auxiliary project through the works of the Gila project, the Secretary is hereby authorized to dismantle the existing B-lift pumping plant of the Yuma auxiliary project and to dispose of any salable parts thereof, either by public or private sale. All moneys realized from the sale of such parts shall be paid into the reclamation fund and credit therefor shall be given to the organization representing the water users of the Yuma auxiliary project toward the construction costs assumed by it pursuant to such contract.

SEC. 8. There are hereby authorized to be appropriated such sums as may be required for the purposes of this act.

CLAIMS UNDER TRADING WITH THE ENEMY ACT

Mr. McCARRAN. Mr. President, I ask unanimous consent that the Senate proceed to consider Senate bill 729. If the bill requires more than 4 or 5 minutes, I shall withdraw my request.

The bill has been reported today from the Committee on the Judiciary, and for that reason is not on the Calendar. The time within which it should operate will expire on the last day of this month. Therefore I deem it necessary that the Senate act promptly on the bill.

The purpose of the bill is further to extend the time within which claims may be filed for return of any property or interest acquired by the United States on or after December 18, 1941. It involves persons who have claims for the return of property which is vested in the Alien Property Custodian. A similar extension was passed by the Eightieth Congress, and at that time it was thought to be sufficient to permit all those who might have claims to file them. If the time is not extended in this instance, there will be quite a number of persons who have legitimate claims to be filed before the Alien Property Custodian whose time will expire very soon, and the claimants will therefore be deprived of the right of filing perhaps legitimate claims.

If the bill takes up any considerable length of time I shall not insist on action, but I hope that the bill may be considered for the next 2 or 3 minutes.

The VICE PRESIDENT. The clerk will state the bill by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 729) to amend the Trading With the Enemy Act, so as to extend the time within which claims may be filed for return of any property or interest acquired by the United States on or after December 18, 1941.

The VICE PRESIDENT. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill which had been reported from the Committee on the Judiciary, with an amendment, on page 1, line 5, to strike out "in the first sentence of" and to insert in lieu thereof "wherever it appears in".

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 33 of the Trading With the Enemy Act (40 Stat. 411), as amended, is hereby further amended by striking out "April 30, 1949" wherever it appears in such section and inserting in lieu thereof "April 30, 1950".

FIRST DEFICIENCY APPROPRIATION ACT, 1949

Mr. McKELLAR. Mr. President, I ask that the Senate resume the consideration of House bill 2632, the First Deficiency Appropriation Act, 1949.

Mr. WHERRY. Mr. President, I should like to ask the distinguished Senator from Tennessee if he does not feel we would save time if I should suggest the absence of a quorum?

Mr. McKELLAR. There are quite a number of Senators present.

Mr. WHERRY. There are several Senators who wanted to be informed when the bill came up.

The VICE PRESIDENT. The Clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Holland	Murray
Anderson	Hunt	Neely
Bricker	Ives	O'Conor
Bridges	Jenner	O'Mahoney
Byrd	Johnson, Colo.	Pepper
Cain	Johnson, Tex.	Robertson
Chapman	Johnston, S. C.	Schoeppel
Chavez	Kerr	Smith, Maine
Cordon	Knowland	Sparkman
Donnell	Langer	Stennis
Downey	Lodge	Taft
Eastland	Long	Taylor
Ecton	Lucas	Thomas, Utah
Ferguson	McFarland	Thye
Flanders	McGrath	Tobey
Frear	McKellar	Tydings
Fulbright	Magnuson	Vandenberg
Green	Malone	Watkins
Gurney	Martin	Wherry
Hayden	Maybank	Wiley
Hendrickson	Miller	Williams
Hill	Morse	Withers
Hoey	Mundt	Young

The VICE PRESIDENT. A quorum is present.

Mr. McKELLAR. Mr. President, I announce that the following Senators are detained at a meeting of a subcommittee of the Committee on Appropriations considering the civil-functions bill, which committee has permission to sit during the session of the Senate: The senior Senator from Louisiana [Mr. ELLENDER], the junior Senator from Louisiana [Mr. LONG], the Senator from Oklahoma [Mr. THOMAS], and the senior Senator from Arkansas [Mr. McCLELLAN].

I also announce that the Senator from Georgia [Mr. GEORGE] is detained in a meeting of the Committee on Finance, over which he is presiding. The Committee on Finance has permission to sit during the session this afternoon.

The VICE PRESIDENT. The clerk will state the first amendment of the Committee on Appropriations.

Mr. McKELLAR. Mr. President, before that is done I desire to make a short statement concerning the bill. It came from the House of Representatives containing a total appropriation of slightly less than $472,000,000. Budget estimates of about $90,000,000 more were sent to the Senate. The Senate did not allow all the $90,000,000, but, as the result of the budget estimate, allowed additional $53,000,000.

In addition to that, several other items were allowed. One was for the Choctaw and Chickasaw Indians. The committee felt a debt was owed to those Indians,

and the amount of $8,359,000 was added for the Indians.

Furthermore there were restorations of reductions made by the House to the amount of $4,140,000.

For the legislative branch the committee added $43,725. This was for widows of deceased Members, furniture, postage, and other miscellaneous items.

For the Joint Committee on Nonessential Federal Expenditures we added $20,000.

For the Bureau of Indian Affairs, for Indians of Arizona and New Mexico, we added $550,000.

For the care of tubercular Indians in Minnesota we added $50,000.

For improvement of a small boat harbor at Havre de Grace, Md., we allowed $9,000.

That makes a total of remaining increase by the Senate committee of $13,181,725.

Respecting the entire bill as it comes from the committee, there are two items of difference. The first is a difference in an item which the House put in the bill in reference to the employment in the Bureau of Reclamation of Messrs. Straus and Boke. The Senator from California [Mr. DOWNEY] presented an amendment dealing with that matter. The Senator has told me, however, that he will put that item in a legislative bill, so that question is not now before the Senate.

The other question, which is the principal one in dispute, has to do with an amendment which was presented by the Senator from Michigan [Mr. FERGUSON] to what is known as the New Johnsonville Steam Plant appropriation in the Tennessee Valley Authority. The New Johnsonville Steam Plant will cost, according to the budget estimate, $3,000,000. The House appropriated $2,500,000 for that plant. The Senate committee recommended $2,500,000 for the plant. The Senator from Michigan offered an amendment providing that any taxpayer or consumer of electric energy may go before a court of three judges in the District of Columbia and test the constitutionality of the TVA Act.

I desire to say a word about that before I take my seat. The question of the constitutionality of the TVA and its operations was brought before the Supreme Court of the United States in what is known as the case of Ashwander et al. against Tennessee Valley Authority et al., Two Hundred and Ninety-seventh United States Reports. I believe the case came before the Court in 1939, or perhaps it was 1940. It was brought out in that case, as will be recalled, that the TVA bought from the Alabama Power Co. its transmission wires and electric system, including a steam plant, by the way. Remember, that the purchase included a steam plant. All that matter was brought before the Court. I cannot say that the question of the steam plant was actually passed upon directly, but the Court found that the TVA had bought the transmission and distributing system from the Alabama Power Co., including the steam plant, and including various other things.

Chief Justice Hughes rendered the opinion of the Court. In that opinion the Court upheld the constitutionality of the Tennessee Valley Authority Act, and it upheld the purchase by the Authority of the area of distribution, the distribution lines, and all the other properties which were included in that purchase. The purchase was a considerable one. Mr. Chief Justice Hughes in that opinion said:

> The question here is simply as to the acquisition of the transmission lines as a facility for the disposal of that energy.

The Court held that the United States, having embarked in a constitutional venture, and the current having been generated by a Tennessee Valley Authority dam, the United States had the authority, through the Tennessee Valley Authority, to acquire such lines and such materials as wires and other distribution means as would enable it to sell the power to the best advantage.

That is all that is sought to be done by the provision in question. The Tennessee Valley Authority already has acquired a number of steam plants at other places. It owns a number of them, largely by purchase, however. But as between the purchase of such steam plants and the building of them there certainly cannot be raised a constitutional question, in my judgment. That, however, is neither here nor there.

Last year a similar measure came before the Senate, and then, as Senators will remember, a witness testified as to the unconstitutionality of the act. His name was Smith. It turned out that he was an agent of the power companies, drawing the nifty little salary of $65,000 a year. He testified, as appears on page 262 of the record of last year's hearings:

> My salary is $65,000 a year by contract.

He lost, so far as the Senate was concerned. This year the private companies have brought in another man. If my memory serves me right, his name is Jackson. Mr. Jackson is a very celebrated constitutional lawyer of Cleveland, Ohio. He made exactly the same arguments Mr. Smith made the year before. The Senate did not approve of the argument a year ago and I hope the Senate will not approve of similar arguments this year. As a matter of fact, to my mind, it is perfectly clear that the real purpose of these agents of the private power companies is to bring about a lawsuit respecting the matter, which would probably delay the building of the steam plant for some time.

The purpose of a steam plant is to accomplish what is known in power parlance as "firming up the power." We cannot always tell about the flow of water. We cannot always be assured that the flow of water will generate a certain standard amount of power which can be sold to the best advantage. But with the steam plant added to the water plant, we can always furnish a determined amount of power to those to whom the power is sold. In other words, the Government can then sell power to the best advantage.

I should like to read what Mr. Justice Hughes said on this question, in delivering the opinion of the Supreme Court:

> We come, then, to the question as to the validity of the method which has been adopted in disposing of the surplus energy generated at the Wilson Dam.

That is on the Tennessee River.

> The constitutional provision is silent as to the method of disposing of property belonging to the United States. That method, of course, must be an appropriate means of disposition, according to the nature of the property, it must be one adopted in the public interest, as distinguished from private or personal ends, and we may assume that it must be consistent with the foundation principles of our dual system of government, and must not be contrived to govern the concerns reserved to the States.

As applied to this particular question, that language means this: The Government owns the water power; it should sell it to the best advantage; it can get more money for it by having a steam plant to firm up the power, so as to produce a regular flow of power to the customers. For that reason I do not believe we should insert a provision inviting any taxpayer to bring a suit in the Federal court in Washington—not in Tennessee or Alabama, where this project is situated, but in Washington, D. C. First, of course, it is legislation. In the next place, it is for the purpose of litigating so as to prevent the installation of the power.

We already have the power there. Whether it was right or wrong, that is a question which is past and gone. The project has been established. It is a fine piece of property, bringing the Government a good income. It is being successfully managed at this time, and I hope will continue to be successfully managed. Surely we ought not to insert a provision which would tie up, perhaps for years, the building of the steam plant for the purpose of disposing of this power in the best possible way and in the interest of the Government.

That is the only question that is now before us.

Mr. WATKINS rose.

Mr. McKELLAR. Does the Senator desire to ask me a question?

Mr. WATKINS. I should like to ask the Senator a question on another matter, with reference to an amendment which I propose to offer. I do not wish to interrupt the Senator. I shall wait until he has concluded his statement.

Mr. McKELLAR. I am through now.

Mr. President, my distinguished friend from Michigan [Mr. FERGUSON] has informed me that he expects to offer a legislative amendment to the bill. I had to tell my friend from Michigan, who is a member of the committee, that, while I dislike to make a point of order in connection with the amendment, I shall be obliged to do so if it is offered. I hope he will not press it.

Mr. WATKINS. Mr. President, would the Senator be willing to permit me to offer an amendment in connection with the Indian matter about which I spoke to him, prior to the consideration of the committee amendments? I think my amendment will probably be noncontroversial, and can be gotten out of the way.

Mr. McKELLAR. The only way that could be done would be by unanimous consent.

Let me say to the Senator from Utah that this is the fourth week I have sat here trying to get the first one of the appropriation bills for this year to the floor of the Senate. I have sat here

every day watching for the past 4 weeks, and hoping that we could get started on the appropriation bills. The House has been unusually expeditious this year in passing appropriation bills, and the Senate has been unusually slow. I should like to have this bill passed today if it is humanly possible. I appeal to Senators for cooperation.

All Senators know that we must pass the appropriation bills. We must pass this bill and succeeding appropriation bills if the Government is to continue to operate. I believe that Senators will cooperate in passing the appropriation bills as rapidly as we can, in the interest of the Government. I hope the Senator from Utah will wait a little while before offering his amendment, and let us dispose of the committee amendments first. That is the usual procedure. Let the bill be read for committee amendments, and after they are disposed of the Senator can offer his amendment.

Mr. WATKINS. Mr. President, in view of what the Senator says, I shall be happy to wait and offer my amendment after the committee amendments are disposed of.

The VICE PRESIDENT. The clerk will proceed to state the committee amendments.

The first amendment of the Committee on Appropriations was, under the heading "Legislative Branch—Senate," on page 1, after line 8, to insert:

For payment to Vera C. Bushfield, widow of Harlan J. Bushfield, late a Senator from the State of South Dakota, $12,500.

The amendment was agreed to.

The next amendment was, at the top of page 2, to insert:

For payment to Alice W. Broughton, widow of J. Melville Broughton, late a Senator from the State of North Carolina, $12,500.

The amendment was agreed to.

Mr. ROBERTSON. Mr. President, I should like to offer a clarifying amendment, which I send to the desk and ask to have stated.

The VICE PRESIDENT. It is not in order for the Senator to offer an amendment until the committee amendments are disposed of.

Mr. ROBERTSON. Very well.

The VICE PRESIDENT. The clerk will state the next committee amendment.

The next amendment was, on page 2, after line 6, to insert:

ADMINISTRATIVE AND CLERICAL ASSISTANTS TO SENATORS

The appropriation for administrative and clerical assistants and messenger service for Senators contained in the Legislative Branch Appropriation Act, 1949, is made available for the employment of an additional clerk at the basic rate of $1,500 per annum by each Senator from the States of California and Virginia, the population of said States having exceed 10,000,000 and 3,000,000, respectively.

The amendment was agreed to.

The next amendment was, on page 2, after line 14, to insert:

OFFICE OF SERGEANT AT ARMS AND DOORKEEPER

Hereafter the basic annual rates of compensation for two clerks at $3,480 each contained in the Legislative Branch Appropriation Act, 1949, shall be one at $4,260 and one at $2,700.

The amendment was agreed to.

The next amendment was, on page 2, after line 19, to insert:

Commencing March 1, 1949, the appropriation for "Salaries of officers and employees of the Senate" contained in the Legislative Branch Appropriation Act, 1949, shall be available for the compensation of laborer in charge of private passage at $2,280 basic per annum in lieu of laborer in charge of private passage at $2,120.

The amendment was agreed to.

The next amendment was, under the subhead "Contingent expenses of the Senate," on page 3, after line 1, to strike out the subhead "Vice President's automobile"; in line 3, before the word "For" to insert "Vice President's automobile:", and in line 4, before the figures "$2,500", to insert "fiscal year 1949."

The amendment was agreed to.

The next amendment was, on page 3, after line 4, to insert:

Postage stamps: For additional amounts for postage stamps, for the following offices: Office of the Secretary, $150; Office of the Sergeant at Arms, $75; in all, fiscal year 1949, $225.

The amendment was agreed to.

The next amendment was, on page 3, after line 8, to insert:

Furniture: For an additional amount for furniture and repairs, fiscal year 1949, $6,000.

The amendment was agreed to.

The next amendment was, on page 3, after line 10, to insert:

Commencing January 20, 1949, the provisions of existing law relating to long-distance telephone calls for Senators shall be equally applicable to the Vice President of the United States.

The amendment was agreed to.

The next amendment was, on page 3, after line 14, to insert:

Notwithstanding the provisions of the Treasury-Post Office Appropriation Act, 1949, the appropriation "Miscellaneous items, contingent expenses of the Senate," shall be available for purchase of new or used typewriters at prices which do not exceed prices established under the provisions of the Treasury-Post Office Appropriation Act, 1949.

The amendment was agreed to.

The next amendment was, under the subhead "House of Representatives," on page 4, after line 2, to insert:

For payment to Vera Bloom, daughter of Sol Bloom, late a Representative from the State of New York, $12,500.

The amendment was agreed to.

The next amendment was, on page 4, after line 13, to insert:

JOINT COMMITTEE ON NONESSENTIAL FEDERAL EXPENDITURES

For an amount which is hereby authorized to enable the Joint Committee on Reduction of Nonessential Federal Expenditures to carry out the duties imposed upon it by section 601 of the Revenue Act of 1941 (55 Stat. 726), to remain available during the existence of the committee, $20,000, to be disbursed by the Secretary of the Senate.

The amendment was agreed to.

The next amendment was, under the heading "Independent Offices—Grants to States for unemployment compensation and employment service administration," on page 8, line 12, after the word "administration", to strike out "$10,000,000" and insert "$14,000,000, of which $4,000,000 shall be available only upon determination by the Federal Security Administrator, with the approval of the Director of the Bureau of the Budget, that increased costs have resulted either from (1) increases in work load, or (2) increases in salaries of State employees, occurring after February 1, 1949."

The amendment was agreed to.

The next amendment was, on page 8, after line 18, to insert:

FEDERAL WORKS AGENCY

PUBLIC BUILDINGS ADMINISTRATION

Renovation and modernization, Executive Mansion

For all expenses necessary for and incident to the renovation, repair, and modernization (without change of present architectural appearance of the exterior of the Mansion or the interior of its main floor) of the Executive Mansion, including the preparation of drawings and specifications, and the purchase of furniture, furnishings, and equipment, without regard to section 3709 of the Revised Statutes or the civil service and classification laws, $5,400,000, to remain available until expended: *Provided*, That any cost-plus-a-fixed-fee general construction contract entered into in pursuance of this authority shall be awarded on competitive bidding among responsible general contractors upon the amount of the fixed fee to accrue from the performance of such contract: *Provided further*, That with the exception of the subcontract to be made by the general contractor for the underpinning and foundation work and work incidental and appurtenant thereto, which may be a cost-plus-a-fixed-fee contract, all other subcontracts made by the general contractor shall be fixed price contracts awarded on competitive bids received from responsible subcontractors.

The amendment was agreed to.

The next amendment was, on page 9, after line 17, to insert:

General Accounting Office Building, District of Columbia

The contract authority provided under this head in the Second Deficiency Appropriation Act, 1948, for the construction of a building for the use of the General Accounting Office, is increased in an amount not to exceed $2,550,000 under the revised limit of cost of $25,400,000.

The amendment was agreed to.

The next amendment was, at the top of page 10, to insert:

BUREAU OF COMMUNITY FACILITIES

Maintenance and operation of schools

For an additional amount for "Maintenance and operation of schools," $3,000,000; and the limitation under this head in the Second Deficiency Appropriation Act, 1948, on the amount available for administrative expenses, is increased from "$100,000" to "$175,000".

The amendment was agreed to.

The next amendment was, under the subhead "Housing and Home Finance Agency—Federal Housing Administration", on page 10, line 13, after the word "to", to strike out "$23,000,000" and insert "$23,800,000."

The amendment was agreed to.

The next amendment was, on page 10, after line 16, to insert:

PUBLIC HOUSING ADMINISTRATION

The second proviso in the paragraph under the heading "Federal Public Housing Au-

thority" in title I of the Government Corporations Appropriation Act, 1948, is hereby repealed as of July 1, 1947.

Mr. FERGUSON. Mr. President, I should like to speak to the amendment now before the Senate, which is the one relating to the Public Housing Administration. It reads as follows:

PUBLIC HOUSING ADMINISTRATION

The second proviso in the paragraph under the heading "Federal Public Housing Authority" in title I of the Government Corporations Appropriation Act, 1948, is hereby repealed as of July 1, 1947.

Following that, the further amendment reads:

The second proviso in the paragraph under the heading "Public Housing Administration" in title I of the Government Corporations Appropriation Act, 1949, is hereby repealed as of July 1, 1948.

Mr. President, the history of the proviso in the Government corporations appropriation for 1948 and 1949 whose repeal is now sought is relatively simple. It reverts to the early history and practices of the Housing Authority created under the United States Housing Act of 1937.

The Housing Act of 1937 was designed to provide low-rent housing for families of low income who could not otherwise afford decent, safe, and sanitary dwellings. It authorized loans by the Housing Authority to local public housing agencies to aid in financing slum clearance and the development of low-rent housing projects. In order to bring rents in the completed dwellings within financial reach of families in the lowest-income groups, the Authority was empowered to make limited annual contributions, provided the community would also make contributions toward the operation of the projects.

Besides the locally owned projects which constitute the greater part of the low-rent program, the Housing Authority has had under its management some federally owned projects. The main group of these consisted of Public Works Administration projects, and they also included war-housing projects directly constructed and owned by the Federal Government, although it was determined that after the war they should be sold to local housing authorities for low-rent use.

Under the United States Housing Act, low-rent housing activities are primarily a subject for local determination and control, the Federal Government being limited chiefly to providing technical and financial assistance. Federal assistance can be provided only under conditions prescribed by the United States Housing Act. Among these conditions is a provision that the local authority shall provide, by cash, tax remission, or tax exemption, a local subsidy equal to at least one-fifth of the annual contribution to be provided by the Housing Authority.

According to a statement submitted to the House Appropriations Committee at its hearing on March 26, 1948, as shown at page 791, it was "the original policy of the Public Housing Administration to encourage localities to grant complete tax exemption for their low-rent housing projects."

Mr. President, I wish to repeat that statement. It was "the original policy of the Public Housing Administration to encourage localities to grant complete tax exemption for their low-rent housing projects."

In other words, the municipality was to waive all taxes on the property which was to be used for low-rent housing projects.

I read further from the statement submitted to the House Appropriations Committee in 1948:

It was only when a locality insisted upon receiving some payments in lieu of taxes that the PHA authorized the making of contracts providing for such payments. As a result of this original policy of case-by-case negotiations with the localities, the original contracts present a wide diversity of provisions as to payment in lieu of taxes. More than half of the original contracts contain no provision whatsoever for such payments, and only 7 percent of the contracts provided for payments equal to as much as 5 percent of shelter rent.

The statement in the House hearings continues:

The various localities throughout the country speedily came to feel that there had been an unfair discrimination between them; those cities which had insisted upon payments in lieu of taxes had received them, whereas those which had not insisted had received none.

In other words, the first bloom of enthusiasm with which the local authorities had entered contracts with the Housing Authority wore off. Because other cities had been given better deals, certain cities began to complain. A typical example was the local authority which entered a contract providing for payments in lieu of taxes in an amount corresponding to the tax on the real estate if the Federal Government had not come in and assisted in construction of a housing project. This was $477. But later it sought a contract corresponding to a payment in lieu of taxes amounting to 10 percent of the shelter rent, or $50,000. Mr. President, that municipality at first was perfectly satisfied to get $477 in lieu of taxes; but when it learned that other cities were getting more, then it wanted the sum of $50,000.

Mr. A. R. Miller, Assistant General Counsel for the Public Housing Administration, described the process in testimony before the House Appropriations Committee last year. He said:

We have contracts which were drawn at the time when the program was young and there was no experience, and the cities were enthusiastic. And they went further than it appears from their point of view than they should have gone; and then, after that, when they found that the burden was excessive, they came to the Federal Government, to us, and said, "Here, we have made a contract which is too burdensome for us. Will you relieve us to same extent?"

As a result of such pleadings, the Housing Authority in 1942 began to revise its contracts, attempting a uniform policy of payments, in lieu of taxes, amounting to 5 percent of shelter rent. Since then, the Public Housing Administration has sought to have those payments increased to a uniform 10 percent, and that provision is the subject of authorizing legislation in Senate bill 138 of the Eighty-first Congress.

It will be observed that throughout the Housing Authority proceeded, in making payments in lieu of taxes, without an apparent doubt as to its legal authority to do so. The question of statutory authority to enter into any contract, calling for payments in lieu of taxes on locally owned housing apparently was raised for the first time before the House Appropriations Committee in 1947.

At that time legal justification for such payments was requested from counsel for the Public Housing Administration In a brief submitted to the House committee, section 13 (c) of the United States Housing Act of 1937 was cited.

Mr. President, I refer now to page 243 of the 1947–48 hearings. This section reads as follows:

The Authority may enter into agreements to pay annual sums in lieu of taxes to any State or political subdivision thereof with respect to any real property owned by the Authority. The amount so paid for any year for any such property shall not exceed the taxes that would be paid to the State or subdivision, as the case may be, upon such property if it were not exempt from taxation thereby.

That quotation is taken from page 895 of the Public Laws, volume 50.

Mr. President, this only allowed the authorities to make an agreement in relation to taxes on property owned by the Authority. The properties and buildings from which we are attempting to remove the limit and to change the contract to allow 10 percent of the rent are not owned by the Authority, and therefore there is no authority to enter into the contracts.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield to the Senator from South Carolina

Mr. MAYBANK. But is it not a fact that the same municipal services are rendered to the housing developments, whether owned by the Authority or not, the same street system, police, light, school, and so forth?

Mr. FERGUSON. Yes; that is true. There is no doubt that the municipalities render certain services for the properties whether owned by the Authority or not. I take it for granted that the services rendered by the municipality in each case are identical, but under the law, only on properties owned by the Authority did the Authority have power to enter into an agreement to pay any sum annually in taxes.

Bear in mind that the United States Housing Act deals both with locally owned and Federal-owned housing projects, and note that section 13 (c) says, "with respect to any real property owned by the Authority."

Counsel's brief states:

It is true that the United States Housing Act does not, in so many words, authorize Federal Public Housing Authority to approve payments in lieu of taxes when such payments are proposed in budgets submitted by local housing authorities to FPHA for approval.

The brief continues to support a position that despite the absence of such

authorization, payments in lieu of taxes were legal because the act "makes no attempt to particularize the permissible expenditures of local authorities in their operating budgets."

What the FPHA attempted to do was not within the law itself, but outside the law, to allow the payments and to make the contracts. That is exactly what was prohibited by the legislation of 1947, and by the budget of 1948. The amendment now attempts retroactively to restore the provision and to compel the Federal Government to make payments which were illegally made in the first instance to municipalities.

Mr. MAYBANK. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Michigan yield to the Senator from South Carolina?

Mr. FERGUSON. I am glad to yield.

Mr. MAYBANK. Will the Senator not admit that the payments have been made over a period of years in some instances?

Mr. FERGUSON. From 1942 to 1947.

Mr. MAYBANK. The Senator will further agree with me, will he not, that while the amounts are small, nevertheless the various cities counted upon those amounts in making up their budgets for the city governments?

Mr. FERGUSON. I assume the cities, after they obtained the contracts between 1942 and 1947, made up their budgets upon the assumption that they were going to receive certain taxes from the properties.

Mr. President, I have a city in my State, the city of Detroit, that will benefit by the adoption of the amendment. There is no doubt about it. I think it will benefit by about $31,000. But that does not mean that we should adopt it, merely because I am from a State that would receive a portion of the taxpayers' money. I think the time has come when, even though we come from States that would benefit by doing something illegal, merely because our States would get some money, we should not hesitate a moment to stand on the floor of the Senate and protest the taking of money from the Federal Government even by our own citizens. Unless we can do that, we are going to have no limit to the budgets of the Federal Government.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. FERGUSON. I am glad to yield.

Mr. MAYBANK. There are cities in Michigan that receive benefits, though, are there not?

Mr. FERGUSON. They will if the provision is included in the bill as passed. That is what I say.

Mr. MAYBANK. No; I say if the bill is not passed. They already have original contracts, do they not?

Mr. FERGUSON. Yes; they have some original contracts.

Mr. MAYBANK. I want to make it perfectly clear, with the permission of the Senator from Michigan, that there is no project whatever in South Carolina, such as the Senator suggested with respect to the State of Michigan.

Mr. FERGUSON. I realize that.

Mr. MAYBANK. The provision is supported purely on the basis of its merits as an adjustment. The benefit to any city in the State of South Carolina does not enter into the matter at all.

Mr. FERGUSON. I want to say to the committee and to the Senator from South Carolina, there are no projects in his State that would benefit by so much as one dollar. It is not a question of what we get for our own States, at all. It is a question of principle.

The House committee does not appear to have been impressed by this argument, however. It inserted in its report on the Government Corporations Appropriation for 1948 the following language:

> Another policy of the FPHA permits local housing projects to make voluntary payments in lieu of taxes in excess of the rate specified in its contract up to 10 percent of what is designated as shelter rent. This practice the committee feels to be of doubtful propriety and legality, and it has been provided in the bill that the funds appropriated for contributions cannot be used for payments to local projects making payments in lieu of taxes in excess of the rate specified in the original contracts with FPHA.

In adopting the proviso referred to in the House report it was apparent that there was considerable doubt as to the legality of any contributions for payments in lieu of taxes not mentioned in section 13 (c) of the United States Housing Act. As a concession to a practice which had been built up, however, funds were appropriated and authorization provided for payments corresponding to those provided at the inception of the assistance contracts between the Federal Government and the local authorities. The General Accounting Office has subscribed to this by refusing to approve payments since the beginning of fiscal 1948 on any contracts other than the first assistance contract between a local housing authority and the FPHA.

Mr. President, this can be boiled down to very simple language, when we come to vote upon the proposition. The Senate and House of Representatives, in 1947, said these contracts could not be increased, and they compelled everybody to go back to the original contract. We now find the Congress saying, "Oh, that was all right in 1947, and in 1948; it would not be allowed. But now we are going to allow it retroactively." It will cost the Federal Government I think between $150,000 and $160,000 each year, or a total of about $300,000.

Mr. MAYBANK. It was $104,000 for 1948, $162,000 for 1949, making approximately the figure suggested by the Senator.

Mr. FERGUSON. That is about $270,000.

Mr. MAYBANK. That is correct.

Mr. FERGUSON. Mr. President, the proposed legislation is sought to be added to the appropriation bill, but I am not making the point of order. I am saying it is a matter that should be determined by a simple majority of the Senate, rather than by a two-thirds majority, because I feel that we should treat the matter as if it were a bill. I understand there is a bill pending before the proper legislative committee which would allow the contracts to be made.

I hope that the Senate will vote retroactively to put back into the appropriation bill these and all the payments for the increase of the amount as provided for in line 18 to and including line 21, on page 10 of the bill.

Mr. President, I ask for a yea-and-nay vote on this question.

The VICE PRESIDENT. The question is on agreeing to the committee amendment referred to, on which the Senator from Michigan asks for a yea-and-nay vote.

The yeas and nays were ordered.

Mr. MAYBANK. Mr. President, I shall not delay the Senate for any great length of time in discussing this amendment. I will say that last month a bill was introduced by the Senator from Georgia [Mr. GEORGE], which was referred to the Committee on Banking and Currency. I suggested to him at that time that since originally the amendment had been adopted as a rider to an appropriation bill, and since it was within the province of the Appropriations Committee, it be referred to that committee and not to the Banking and Currency Committee. I appreciate what the Senator from Michigan has said, that he would not make a point of order with reference to it, but it is a clear-cut instance of whether the Federal Government will keep its contracts with some 117 cities in the United States contracts which have been made through the Public Housing Authority, and with the approval of the Congress, prior to the amendment to the Government Corporations Act for fiscal 1948 and 1949.

Mr. President, I ask unanimous consent that there be attached to the few remarks I have made a memorandum from A. R. Miller, Assistant General Counsel, Public Housing Administration, together with a statement which sets forth the full facts. I wish to read briefly from the statement at this time:

> There are 17 low-rent housing projects which have been affected by this ruling. A list of such projects and the amounts involved is attached hereto. (On all other projects the "original" contract has either not been revised, or where revised, no change was made in the amount of payments in lieu of taxes authorized thereunder; such projects are therefore not affected by the provisos in the appropriation acts).

The question is merely whether or not they had a contract prior to 1948 when the amendment was placed in the appropriation bill, or whether they did not have one. That is the issue here. If the amendment offered by the distinguished Senator from Michigan is defeated, all we do is to give to 17 cities approximately $300,000 over the past two fiscal years, which I think is due, and which my distinguished friend thinks is not due.

There being no objection, the memorandum and statement were ordered to be printed in the RECORD, as follows:

MEMORANDUM FROM PUBLIC HOUSING ADMINISTRATION FOR THE DEFICIENCY SUBCOMMITTEE OF THE SENATE COMMITTEE ON APPROPRIATIONS RELATING TO THE PROPOSED REPEAL OF THE PROVISOS IN THE GOVERNMENT CORPORATIONS APPROPRIATION ACTS FOR 1948 AND 1949

In the Government Corporations Appropriation Acts of 1948 and 1949, a proviso was

added to the Public Housing Administration's appropriation for annual contributions to low-rent housing projects which reads as follows: *"Provided further,* That no part of this appropriation shall be used to pay any public housing agency any contribution occasioned by payments in lieu of taxes in excess of the amount specified in the original contract between such agency and the Federal Public Housing Authority."

These acts also provided that expenditures thereunder should be subject to audit and final settlement by the Comptroller General.

The Comptroller General interpreted the term "original contract" as used in the aforesaid appropriation acts as meaning the first or earliest assistance contract between the local housing authorities and the PHA, and that, therefore, in determining the amount of the annual contribution which the PHA might make out of the moneys appropriated under such acts, the PHA could give credit to the local authorities only for payments in lieu of taxes specified in the earliest contracts, even though such contracts had been validly revised to authorize larger payments in lieu of taxes.

There are 17 low-rent housing projects which have been affected by this ruling. A list of such projects and the amounts involved is attached hereto. (On all other projects, the "original" contract has either not been revised, or where revised, no change was made in the amount of payments in lieu of taxes authorized thereunder; such projects are therefore not affected by the provisos in the appropriation acts.) The way in which the aforesaid 17 projects are affected is as follows:

Under the assistance contract between the PHA and the local authority, the amount of the annual contribution payable by the PHA is reduced by any rental income which the project may have over and above its expenses. One of the expenses payable out of the rents is the payment in lieu of taxes. Therefore, the greater the amount of payments in lieu of taxes the less there will be available from the rental income to reduce the annual contribution payable by the PHA and, consequently, the greater the contribution the PHA would make.

In the 17 projects involved, the "original" or earliest contract provided either for no payments in lieu of taxes or for a small amount. In each of these cases the contracts were subsequently revised or amended so as to authorize as an expense of the project larger payments in lieu of taxes than those specified in the "original" contract. These revised contracts were all validly entered into in pursuance of the authority vested in PHA by section 14 of the United States Housing Act of 1937, and were in effect prior to the passage of the appropriation act for 1948, and are legally binding obligations of the PHA.

The effect of the proviso in the Appropriation Act was to require the PHA to refuse to make annual contributions based upon the larger payments in lieu of taxes specified in the revised contracts and thus to breach the valid revised contracts in existence between the PHA and the local authorities.

In addition to the above 17 projects, there are 4 projects on which the local authorities, pursuant to authorization given by the PHA in accordance with its policy then in effect, made payments in lieu of taxes in excess of the contract amounts (known as voluntary payments) prior to the passage of the Appropriation Act of 1948. The annual contributions for these four projects, however, were payable on July 17, 1948, out of the moneys appropriated by the 1948 Appropriation Act and were, therefore, subject to the proviso in question. The PHA was required therefore to deduct those amounts from the contributions paid by it to these four projects.

The repeal of the provisos as of the dates of their respective enactments would, therefore, accomplish two things: (1) it would permit the local authorities to make payments in lieu of taxes equal to the full amount set forth in the revised contracts and permit the PHA to increase the annual contributions paid to the projects to the same extent; and (2) it would validate the voluntary payments in lieu of taxes previously made and permit the PHA to increase the annual contributions on those projects accordingly.

The Congress will not be required to appropriate any moneys for the above purposes since there is enough left out of the moneys already appropriated by the Appropriation Acts of 1948 and 1949 for the payment of these additional amounts of contributions. As shown by the attached statement, the total amount of additional contributions which the repeal of the provisos would permit the PHA to make, is approximately $300,000.

A. R. MILLER,
Assistant General Counsel.

Projects on which part of the annual contribution was withheld because of the difference between the amount of payments in lieu of taxes authorized by the "original" contract and the amount authorized by the revised contract

	Fiscal 1948	Fiscal 1949
Baltimore, Md	$627.00	(1)
Detroit, Mich	15,304.39	$16,451.26
Norwalk, Conn	383.52	
Atlanta, Ga	40,898.29	102,192.44
Annapolis, Md	2,023.53	2,332.76
Beverly, N. J	414.76	
Jackson, Tenn	1,028.80	
Nashville, Tenn	2,273.00	
Key West, Fla	1,601.00	
Los Angeles, Calif	4,655.00	4,877.49
New York, N. Y	24,412.09	24,523.90 2,999.54
Omaha, Nebr	6,451.49	6,119.00
Springfield, Ill	725.50	
Trenton, N. J	842.80	
Frederick, Md	1,434.97	
McKeesport, Pa	1,792.21	
Denver, Colo		3,188.38
Total	104,868.35	162,684.77

1 Where no amount is shown for fiscal 1949, it is due to the fact that the audit for that year has not yet been made. It is believed that when the audit is made the amount involved will be small, not more than $10,000 in addition to the total of $162,684.77.

Projects on which voluntary payments in lieu of taxes were made before the Appropriation Act of 1948 became effective

Augusta, Ga	$6,771.03
Fall River, Mass	12,633.20
Laurel, Miss	6,086.62
McComb, Miss	3,242.40
Total	28,733.25

The VICE PRESIDENT. The question is on agreeing to the committee amendment, on which the yeas and nays have been ordered.

Mr. JOHNSTON of South Carolina. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Douglas	Hendrickson
Brewster	Downey	Hickenlooper
Bricker	Ferguson	Hill
Bridges	Flanders	Hoey
Cain	Frear	Holland
Capehart	Fulbright	Ives
Chapman	Gillette	Jenner
Chavez	Green	Johnson, Colo.
Cordon	Gurney	Johnson, Tex.
Donnell	Hayden	Johnston, S. C.
Kerr	Maybank	Taft
Knowland	Millikin	Taylor
Langer	Mundt	Thye
McCarthy	Murray	Tydings
McFarland	Neely	Watkins
McGrath	O'Mahoney	Wherry
McKellar	Robertson	Williams
Magnuson	Russell	Withers
Malone	Schoeppel	Young
Martin	Smith, Maine	

The VICE PRESIDENT. A quorum is present.

The question is on agreeing to the amendment of the committee on page 10, beginning in line 17, on which the yeas and nays have been ordered.

Mr. FERGUSON. Mr. President, before the vote is taken I should like to make a few remarks concerning the pending question.

The amendment is on page 10, beginning in line 17, and running through line 21. In 1947 fiscal and 1948 fiscal the Senate and House of Representatives inserted in an appropriation bill a provision that the FPHA amount in lieu of taxes had to be in accordance with original contracts. This is what happened: The local housing authorities wanted housing, they wanted low-rent housing. Many of them were willing to waive payments in lieu of taxes in order to get housing projects. They wanted to make contributions. Then, after they got a housing project, the FPHA would go to them and increase the amount of the payments in lieu of taxes.

When Congress really learned about that, in 1947 and 1948, we inserted in the appropriation bill a provision that they would get contributions only as provided for in their original contracts, not as provided in the changed contracts.

This year the Committee on Appropriations wants to insert in the bill the amendment from line 17 to line 21, which would retroactively provide for the payment of Federal money to municipalities which had already entered into contracts containing certain provisions and were able to persuade the FPHA to change the contracts.

If Senators are against changing what we did in 1947 and 1948 their votes should be "nay." If they favor the committee amendment, which would result in the payment to municipalities of about $275,000 of Federal money which was not legally due to them, then Senators should vote "yea."

Mr. MAYBANK. Mr. President, I hope and trust that the committee will be sustained and that the amendment will be agreed to. The communities affected were not paid because the Comptroller questioned the right to pay them after the House and Senate language was inserted in the 1948–49 appropriation bill, before they had entered into contracts and had been paid. In a way they were left out because of language inserted in an appropriation bill. I trust that the amendment will be agreed to.

The VICE PRESIDENT. The question is on agreeing to the amendment of the committee. Those who favor the amendment will make it known by saying "yea," those opposed by saying "nay," as their names are called. The yeas and nays have been ordered, and the clerk will call the roll.

The Chief Clerk called the roll.

Mr. JOHNSON of Texas. I announce that my colleague, the senior Senator from Texas [Mr. CONNALLY] is detained from the Senate on official business. If present he would vote "yea."

Mr. LUCAS. I announce that the Senator from North Carolina [Mr. GRAHAM] is absent because of illness, and if present would vote "yea."

The Senator from Wyoming [Mr. HUNT] and the Senator from Utah [Mr. THOMAS] are detained on official business, and if present would vote "yea."

The Senator from Tennessee [Mr. KEFAUVER] and the Senator from Pennsylvania [Mr. MYERS], both of whom are absent on public business, would vote "yea" if present.

The Senator from West Virginia [Mr. KILGORE] is unavoidably detained, and if present would vote "yea."

The Senator from Connecticut [Mr. MCMAHON] and the Senator from New York [Mr. WAGNER], both of whom are necessarily absent, would vote "yea" if present.

Mr. WHERRY. I announce that the Senator from Connecticut [Mr. BALDWIN] is absent by leave of the Senate. If present and voting the Senator from Connecticut [Mr. BALDWIN] would vote "yea."

The Senator from Massachusetts [Mr. SALTONSTALL] is absent on official business.

The Senator from New Jersey [Mr. SMITH] is absent because of illness.

The Senator from Michigan [Mr. VANDENBERG] and the Senator from Wisconsin [Mr. WILEY] are detained on official committee business.

The result was announced—yeas 49, nays 33, as follows:

YEAS—49

Anderson	Holland	Morse
Byrd	Humphrey	Murray
Chapman	Johnson, Colo.	Neely
Chavez	Johnson, Tex.	O'Conor
Cordon	Johnston, S. C.	O'Mahoney
Douglas	Kerr	Pepper
Downey	Knowland	Robertson
Eastland	Long	Russell
Ellender	Lucas	Sparkman
Frear	McCarran	Stennis
Fulbright	McClellan	Taylor
George	McFarland	Thomas, Okla.
Gillette	McGrath	Tydings
Green	McKellar	Watkins
Hayden	Magnuson	Withers
Hill	Maybank	
Hoey	Miller	

NAYS—33

Aiken	Gurney	Millikin
Brewster	Hendrickson	Mundt
Bricker	Hickenlooper	Reed
Bridges	Ives	Schoeppel
Butler	Jenner	Smith, Maine
Cain	Kem	Taft
Capehart	Langer	Thye
Donnell	Lodge	Tobey
Ecton	McCarthy	Wherry
Ferguson	Malone	Williams
Flanders	Martin	Young

NOT VOTING—14

Baldwin	Kilgore	Thomas, Utah
Connally	McMahon	Vandenberg
Graham	Myers	Wagner
Hunt	Saltonstall	Wiley
Kefauver	Smith, N. J.	

So the committee amendment on page 10, lines 17 to 21, inclusive, was agreed to.

The VICE PRESIDENT. The next amendment is the paragraph following line 21 on page 10.

Mr. ROBERTSON. Mr. President——

Mr. McKELLAR. Mr. President, if I remember correctly, that paragraph is part of the same amendment as the preceding paragraph.

The VICE PRESIDENT. The Parliamentarian advises the Chair that it is a separate amendment.

Mr. McKELLAR. The Parliamentarian is very good. I would not dispute him.

The VICE PRESIDENT. The question is on agreeing to the committee amendment on page 10, after line 21, which will be stated.

The next amendment was on page 10, after line 21, to insert:

The second proviso in the paragraph under the heading "Public Housing Administration" in title I of the Government Corporations Appropriation Act, 1949, is hereby repealed as of July 1, 1949.

The amendment was agreed to.

Mr. ROBERTSON. Mr. President, I should like to ask the chairman of the committee about an amendment which we have not yet reached, for the purpose of clarifying his opening statement about that amendment. I understood the Senator from Tennessee to say, with respect to the provision of law that certain positions in the Reclamation Service would have to be held by engineers, that that was not involved in this bill, but would be handled in another bill.

Mr. President, I think it is absolutely true that the final determination will be made in connection with another bill; but I believe that my distinguished colleague from Tennessee will recall the voluminous testimony which we took before our committee on that very issue, and especially the testimony of the distinguished senior Senator from California [Mr. DOWNEY]. Before we reported the bill the committee struck out, on pages 25 and 26, the language which was inserted on the House side, which wiped out the engineering requirement and had the effect of restoring Commissioner Straus and Supervisor Boke to the payroll. If the Senate adopts the committee amendment, we shall continue the prohibition against the payment of those two salaries, as provided in the appropriation act of last year. Is not that correct?

Mr. McKELLAR. Mr. President, I am afraid I made a mistake if I made the statement to which the Senator from Virginia refers—and, as I recall, I did make that statement. What I intended to say was that I understood the Senator from California [Mr. DOWNEY] was not going to press his point of view before the Senate, but would take it up in connection with a subsequent bill. This amendment, of course, strikes out the House language.

Mr. DOWNEY. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield.

Mr. DOWNEY. The statement which the distinguished Senator from Tennessee has just made is absolutely correct. The bill is left in a form which is satisfactory to me. Under the Senate committee version, the prohibition against any man holding either of these two offices unless he is an engineer remains in the law. I informed the distinguished Senator from Tennessee that in view of the fact that the bill was favorable to my contention, I would not deluge the Senate of the United States with any statements on the Boke-Straus issue, and I do not intend to do so.

The VICE PRESIDENT. This amendment has not yet been reached. The discussion is out of order.

Mr. McKELLAR. In that connection, Mr. President, my original statement should be corrected to conform to my last statement.

Mr. DOWNEY. Mr. President, before I resume my seat, I desire to thank the distinguished Senator from Virginia for the statement which he has just made.

The VICE PRESIDENT. The clerk will state the next committee amendment.

The next amendment was, under the subhead "Housing Expediter—Salaries and expenses", on page 11, line 4, after the figures "$4,800,000", to insert "of which $3,600,000 is contingent upon the enactment of legislation continuing rent control beyond March 31, 1949: *Provided*, That if rent control and veterans' preference requirements under the Housing and Rent Act of 1947, as amended, are not extended by legislation beyond March 31, 1949, the said sum of $3,600,000 is hereby made available on account and in part payment of liquidation expenses, including terminal leave, of the Office of the Housing Expediter."

Mr. McKELLAR. Mr. President, it will be noted that the language beginning in line 4, is "of which $3,600,000 is contingent upon the enactment of legislation continuing rent control beyond March 31, 1949: *Provided*, That if rent control and veterans' preference requirements under the Housing and Rent Act of 1947, as amended, are not extended by legislation beyond March 31, 1949, the said sum of $3,600,000 is hereby made available on account and in part payment of liquidation expenses, including terminal leave, of the Office of the Housing Expediter." Since that time rent-control legislation has passed the Congress; and I ask that that much of the amendment, beginning with the word "of" in line line 4, to the end of line 12, be stricken out.

The VICE PRESIDENT. Without objection, the committee amendment will be rejected.

Mr. GEORGE. Mr. President, with reference to the amendment which was last voted upon by a yea-and-nay vote, let me say that there are only 17 low-rent housing projects which were affected by the ruling of the Comptroller General necessitated by the provisions which were inserted in the appropriation act in 1948.

Also, the effect of the amendment is to do only two things:

First, it would permit local authorities to receive payments in lieu of taxes equal to the full amount set forth in the revised contracts and permit the PHA to increase the annual contributions paid to the projects to the same extent.

Second, it would validate the voluntary payments in lieu of taxes previously made, and permit the PHA to increase

the annual contributions on these projects accordingly.

I should like to have the RECORD show also that Congress will not be required to appropriate any money whatever for these purposes, since there is enough left of the moneys already appropriated under the appropriation acts of 1948 and 1949 for the payment of these additional amounts of contribution, as shown by a statement which I shall ask to have printed in the RECORD. The total amounts are not very high.

I ask unanimous consent to have inserted in the RECORD at this point as a part of my remarks a statement showing projects on which a part of the annual contribution was withheld because the difference between the amount of payments in lieu of taxes authorized by the original contract and the amount authorized by the revised contract.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

Projects on which part of the annual contribution was withheld because of the difference between the amount of payments in lieu of taxes authorized by the "original" contract and the amount authorized by the revised contract

	Fiscal 1948	Fiscal 1949
Baltimore, Md.	$627.00	(1)
Detroit, Mich.	15,304.39	$16,451.26
Norwalk, Conn.	383.52	
Atlanta, Ga.	40,898.29	102,192.44
Annapolis, Md.	2,023.53	2,332.76
Beverly, N. J.	414.76	
Jackson, Tenn.	1,028.80	
Nashville, Tenn.	2,273.00	
Key West, Fla.	1,601.00	
Los Angeles, Calif.	4,655.00	4,877.49
New York, N. Y.	24,412.09	24,523.90 2,999.54
Omaha, Nebr.	6,451.49	6,119.00
Springfield, Ill.	725.50	
Trenton, N. J.	842.80	
Frederick, Md.	1,434.97	
McKeesport, Pa.	1,792.21	
Denver, Colo.		3,188.38
Total	104,868.35	162,684.77

[1] Where no amount is shown for fiscal 1949, it is due to the fact that the audit for that year has not yet been made. It is believed that when the audit is made the amount involved will be small, not more than $10,000 in addition to the total of $162,684.77.

Projects on which voluntary payments in lieu of taxes were made before the Appropriation Act of 1948 became effective

Augusta, Ga.	$6,771.03
Fall River, Mass.	12,633.20
Laurel, Miss.	6,086.62
McComb, Miss.	3,242.40
Total	28,733.25

Mr. GEORGE. Mr. President, this statement shows that the low rent public housing projects which were actually affected, and therefore will be benefited, now that this amendment has been approved, are to be found in the States of Maryland, Michigan, Connecticut, Georgia, New Jersey, Tennessee, Florida, California, New York, Nebraska, Illinois, Pennsylvania, and Colorado.

Mr. O'MAHONEY. Mr. President, in view of the remarks which have been made by the Senator from Virginia [Mr. ROBERTSON] and the Senator from California [Mr. DOWNEY] with respect to the repealer of the so-called Straus-Boke rider, I think I ought to make the statement that it should not be assumed from what was said that the issue has been decided. It was not decided in the committee, rather because of a matter of convenience. The decision was postponed. In the course of the consideration of this bill, when we come to that amendment, I wish to make my position clear.

Mr. WHERRY. Mr. President, as I understand, the first two lines under the heading "Housing Expediter, salaries and expenses," on page 11, remain in the bill, with a period after "$4,800,000."

The VICE PRESIDENT. That is correct.

The clerk will state the next committee amendment.

The next amendment was, on page 11, after line 12 to insert:

MOTOR CARRIER CLAIMS COMMISSION

SALARIES AND EXPENSES

For expenses necessary for the Motor Carrier Claims Commission established by the act of July 2, 1948 (Public Law 880), including personal services in the District of Columbia, travel expenses, printing and binding, and services as authorized by section 15 of the act of August 2, 1946 (5 U. S. C. 55a), $50,000: *Provided*, That section 6 of the aforesaid act of July 2, 1948, as amended, is further amended by striking out the words "nine months" and inserting in lieu thereof the words "fifteen months," and section 13 of said act, as amended, is further amended by striking out the words "nine months' period" and inserting in lieu thereof the words "fifteen months' period."

The amendment was agreed to.

The next amendment was, at the top of page 13, to insert:

UNITED STATES MARITIME COMMISSION

VESSEL OPERATING FUNCTIONS

Not to exceed $4,568,000 of the unobligated balance on March 1, 1949, of the funds appropriated under this head in the Supplemental Independent Offices Appropriation Act, 1949, shall remain available until June 30, 1949.

The amendment was agreed to.

The next amendment was, under the subhead "War Assets Administration—Salaries and expenses, special fund," on page 13, line 20, after the words "special fund," to strike out "$12,500,000" and insert "$13,750,000."

The amendment was agreed to.

The next amendment was, on page 14, after line 19, to insert:

WAR CLAIMS COMMISSION

ADMINISTRATIVE EXPENSES

For expenses necessary for the War Claims Commission, including personal services in the District of Columbia; travel expenses; printing and binding; services as authorized by section 15 of the act of August 2, 1946 (5 U. S. C. 55a); and advances or reimbursements to other Government agencies for use of their facilities and services in carrying out the functions of the Commission; $100,000, to be derived from the war claims fund created by section 13 (a) of the War Claims Act of 1948 (Public Law 896, approved July 3, 1948): *Provided*, That the date fixed by section 8 (a) of the War Claims Act of 1948 for submission of the report required by said section is changed from "March 31, 1949," to "December 31, 1949."

The amendment was agreed to.

The next amendment was, on page 15, after line 9, to insert:

PAYMENT OF CLAIMS

For payment of claims, as authorized by the War Claims Act of 1948, from funds deposited in the Treasury to the credit of the war claims fund created by section 13 (a) of said act, such sums as may be necessary, to be available to the Secretary of the Treasury for payment of claims under sections 4 (a), 4 (b) (2), 5 (e), 6 (b), and 7 of said act to the payees named and in the amounts stated in certifications by the War Claims Commission and the Federal Security Administrator or their duly authorized representatives, which certifications shall be in lieu of any vouchers which might otherwise be required: *Provided*, That this appropriation shall not be available for administrative expenses.

The amendment was agreed to.

The next amendment was, under the heading "Department of Agriculture—Agricultural Research Administration—Bureau of Entomology and Plant Quarantine—Control of emergency outbreaks of insects and plant diseases," on page 16, line 14, after the word "diseases", to strike out "$1,000,000" and insert "$1,350,000: *Provided*, That a report shall be made by the Secretary of Agriculture to the Senate and House Appropriation Committees covering expenditures from the fiscal year 1949 appropriations for this purpose."

The amendment was agreed to.

The next amendment was, under the subhead "Production and Marketing Administration—Conservation and use of agricultural land resources," on page 16, line 24, after the word "the" to strike out "Agriculutral" and insert "Agricultural."

The amendment was agreed to.

The next amendment was, on page 17, after line 9, to insert:

FARMERS HOME ADMINISTRATION

LOANS TO FARMERS, PROPERTY DAMAGE

The funds appropriated under the head "Loans to farmers, 1948 flood damage," in the Second Deficiency Appropriation Act, 1948, shall remain available until June 30, 1950, in accordance with the terms and conditions specified under said head, to provide assistance to farmers whose property is destroyed or damaged as a result of floods, storms, or other natural calamity during the calendar years 1948 and 1949.

The amendment was agreed to.

The next amendment was, under the heading "Department of Commerce—Coast and Geodetic Survey—Salaries and expenses, field," on page 19, line 9, after the word "field", to strike out "$290,000" and insert "$366,000."

The amendment was agreed to.

The next amendment was, under the heading "Department of the Interior—Bonneville Power Administration—Construction, Operation, and Maintenance," on page 20, line 5, after the figures "$3,521,600", to strike out "and the limitations under said head on force account activities and on salaries and expenses in connection with informational work are hereby repealed" and insert "and the limitation under said head on force account activities is hereby amended to read as follows: ': *Provided* further, That not exceeding 10 percent of any construction appropriations for the Bonneville Power Administration contained in this act shall be available for wages for construction work by force account, or on a hired-labor basis, except in case of emergencies, local in character, so declared by the Bonneville Power Administrator.' "

Mr. ROBERTSON. Mr. President, I wish to offer a clarifying amendment to that section.

The VICE PRESIDENT. The amendment offered by the Senator from Virginia will be stated.

Mr. ROBERTSON. Mr. President, in view of the fact that this same amendment applies on pages 23 and 24, I ask unanimous consent that we may consider all three of those committee amendments together, because they all deal with the question of force account.

The VICE PRESIDENT. Is there objection? The Chair hears none.

Mr. ROBERTSON. Then I ask that all three amendments be reported together. All of them use the same language.

The VICE PRESIDENT. The amendments will be stated.

The LEGISLATIVE CLERK. On page 20, in lines 12 and 13, it is proposed to strike out "for wages."

On page 23, in line 23, and continuing to line 1 on page 24, it is proposed to strike out "for wages."

On page 24, in line 3, it is proposed to strike out "for wages."

Mr. ROBERTSON. Mr. President, the effect of the amendments is as follows: We intended to raise the authorization for force account from 8 percent to 10 percent. But when the language "for wages for construction" was used, in effect we raised it to 20 percent, because wages would be only one-half of the construction cost.

So by striking out the words "for wages," and leaving it "10 per centum * * * for construction," it will be 10 percent for the over-all job. Undoubtedly that was the intention of the committee.

The VICE PRESIDENT. The question is on agreeing to the amendments of the Senator from Virginia to the committee amendment, in line 12 on page 20; and to the committee amendment in line 23, on page 23; and in line 1, on page 24; and also in line 3 on page 24.

The amendments to the committee amendments were agreed to.

The VICE PRESIDENT. The question now is on agreeing to the committee amendment, as amended, beginning in line 5, on page 20.

The amendment as amended was agreed to.

The VICE PRESIDENT. The next amendment of the committee will be stated.

The next amendment was, under the subhead "Bureau of Indian Affairs—Navajo and Hopi Service—Agency Services," on page 20, line 25, after the word "services" to strike out "$360,000" and insert "$1,310,000," and in line 25, after the amendment just above stated, to strike out the colon and the following proviso:

Provided, That after the approval of this Act no payment shall be made from this appropriation to Indians who are eligible for benefit payments under the Social Security Act

And in lieu thereof to insert the following proviso:

Provided, That a detailed report shall be made by the Secretary of the Interior to the Senate and House Appropriation Committees covering expenditures from the fiscal year 1949 appropriations for the education of the Navajo and Hopi Indians.

Mr. LANGER. Mr. President, I ask unanimous consent to insert in line 7 of the committee amendment, after the word "Indians" the following amendments:

EDUCATION OF INDIANS

For an additional amount for "Education of Indians," $50,000.

Also, in line 10, to strike out "$50,000" and insert "$75,000."

And also, in line 13, to strike out "$535,000" and insert "$560,000."

I offer those amendments to the committee amendment.

The VICE PRESIDENT. The amendment to the committee amendment will be stated.

The LEGISLATIVE CLERK. In the committee amendment on page 21, after line 7 it is proposed to insert:

EDUCATION OF INDIANS

For an additional amount for "Education of Indians," $50,000.

Mr. MCKELLAR. Mr. President, I believe such an amendment is not strictly in order at this time; but I ask unanimous consent that it be considered and adopted. We should permit it, and I am sure the committee would unanimously agree to permit the amendment.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from North Dakota [Mr. LANGER] to the committee amendment, following line 7, on page 21.

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

The VICE PRESIDENT. The next committee amendment will be stated.

The next amendment was, on page 21, after line 7, to insert:

CONSERVATION OF HEALTH

For an additional amount for "Conservation of health," $50,000.

Mr. LANGER. Mr. President, in the committee amendment on page 21, in line 10, I offer an amendment to strike out $50,000" and insert "$75,000."

The VICE PRESIDENT. The question is on agreeing to the amendment of the Senator from North Dakota [Mr. LANGER] to the committee amendment on page 21, in line 10.

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

The VICE PRESIDENT. The next committee amendment will be stated.

The next amendment was, under the subhead "Welfare of Indians," on page 21, line 13, after the word "Indians", to strike out "$385,000" and insert "$535,000"; and in the same line, after the amendment just above stated, strike out the colon and the following proviso:

Provided, That after the approval of this act no payment shall be made from this appropriation to Indians who are eligible for benefit payments under the the Social Security Act.

Mr. LANGER. Mr. President, I now offer an amendment to the committee amendment on page 21, in line 13, to strike out "$535,000" and insert "$560,000."

The VICE PRESIDENT. The question is on agreeing to the amendment of the Senator from North Dakota [Mr. LANGER] to the committee amendment in line 13.

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

Mr. LANGER. Mr. President, I may say in explanation that those amendments are for the benefit of the North Dakota Indians at Turtle Lake and Fort Totten reservations, who are very destitute, and have been supported by the neighboring towns.

The VICE PRESIDENT. The next amendment of the committee will be stated.

The next amendment was, on page 21, after line 16, to insert:

ALASKA NATIVE SERVICE

Vessel conversion

For expenses necessary in converting and outfitting a vessel for use as a service and supply ship by the Alaska Native Service, $700,000, to remain available until expended.

The amendment was agreed to.

The next amendment was, on page 21, after line 22, to insert:

PAYMENT TO CHOCTAW AND CHICKASAW NATIONS OF INDIANS, OKLAHOMA

For payment to the Cocktaw and Chickasaw Nations of Indians in fulfillment of the terms of a contract between the United States of America and the said nations as authorized by the act of June 28, 1944 (58 Stat. 483), and as ratified by the act of June 24, 1948 (Public Law 754), $8,359,000, of which not to exceed $50,000 shall be available until expended for defraying the expenses, including printing and binding, of making the per capita payment authorized by the above acts: *Provided*, That in addition to the per capita payment, the Secretary of the Interior, in his discretion, is authorized to distribute per capita to the enrolled members of the Choctaw and Chicasaw Nations, entitled under existing law to share in the funds of such tribes, or to their lawful heirs or devisees determined in the manner prescribed in section 4 of the aforesaid act of June 24, 1948, any or all the funds held by the Government of the United States for the benefit of said tribes.

The amendment was agreed to.

The next amendment was, on page 22, after line 15, to insert:

INDIANS OF CALIFORNIA

Pursuant to Public Law 852, Eightieth Congress, second session, approved June 30, 1948, the sum of $25,000 is hereby made available out of any funds in the Treasury of the United States to the credit of the Indians of California, to remain available until expended, to be used to defray the expenses incurred by the Secretary of the Interior in revising the roll as provided by law.

The amendment was agreed to.

The next amendment was, under the subhead "Bureau of Reclamation—Force Account Work," on page 23, after line 2, to strike out:

That part of the Interior Department Appropriation Act, 1949, which reads "not exceeding 8 percent of the construction appropriation for any project under the Bureau of Reclamation contained in this act shall be available for construction work by

force account, or on a hired-labor basis, except for projects or items the estimated construction cost of which does not exceed $200,000, and only then in cases where the Bureau of Reclamation finds the lowest bids to be excessive" is hereby repealed.

And in lieu thereof to insert the following:

That part of the Interior Department Appropriation Act for 1949 which reads: "Not exceeding 8 percent of the construction appropriation for any project under the Bureau of Reclamation contained in this act shall be available for construction work by force account, or on a hired-labor basis, except for projects or items the estimated construction cost of which does not exceed $200,000, and only then in cases where the Bureau of Reclamation finds the lowest bids to be excessive." is hereby repealed and in lieu thereof the following provision is hereby inserted: "Not exceeding 10 percent of the construction appropriation for the Bureau of Reclamation for any project contained in this act shall be available for wages for construction work by force account and on a hired-labor basis; except that not to exceed $500,000 may on approval of the Commissioner be expended for wages for construction work by force account on any one project when the work is unsuitable for contract or where excessive bids are received; and except in cases of emergencies local in character, so declared by the Commissioner."

The amendment was agreed to.

The next amendment was, under the subhead "General fund—Construction," on page 24, line 12, after "Davis Dam project, Arizona-Nevada," to strike out "$4,500,000" and insert "$5,000,000."

The amendment was agreed to.

The next amendment was, on page 24, line 14, after "Colorado-Big Thompson project, Colorado", to strike out "$1,800,000" and insert "$2,000,000."

The amendment was agreed to.

The next amendment was, on page 24, line 16, after "Columbia Basin project, Washington", to strike out "$4,500,000" and insert "$5,000,000."

The amendment was agreed to.

The next amendment was, under the subhead "Missouri River Basin", on page 24, line 21, after "(58 Stat. 887)", to strike out "$4,500,000" and insert "$5,100,000."

The amendment was agreed to.

The next amendment was, under the subhead "Reclamation Fund—General Offices, salaries and expenses (other than project offices)", on page 25, line 6, after the figures "$260,000", to strike out the following proviso:

Provided, That in addition to the amount appropriated under this head in the Interior Department Appropriation Act, 1949, there shall be available for expenditure under said head any sums transferred thereto for work performed or to be performed for the benefit of specific projects or undertakings for which other funds or appropriations of the Bureau of Reclamation are available; and the first, fourth, and fifth provisos under said head are hereby repealed.

And in lieu thereof to insert the following:

Provided, That the limitation of $7,800,000 contained in the first proviso under this head in the Interior Department Appropriation Act, 1949, is hereby increased to $8,410,000: *Provided further*, That the limitation of $48,000,000 contained in the fourth proviso under this head in said act is hereby increased to $53,376,000.

The amendment was agreed to.

The next amendment was, on page 25, after line 20, to strike out:

Effective January 31, 1949, the proviso under this head in the Interior Department Appropriation Act, 1949, which reads: *"Provided further*, That after January 31, 1949, no part of any appropriation for the Bureau of Reclamation contained in this act shall be used for the salaries and expenses of a person in any of the following positions in the Bureau of Reclamation, or of any person who performs the duties of any such position, who is not a qualified engineer with at least 5 years' engineering and administrative experience: (1) Commissioner of Reclamation; (2) Assistant Commissioner of Reclamation; and (3) Regional Director of Reclamation—" is hereby repealed.

The amendment was agreed to.

The next amendment was, under the subhead "Construction," on page 26, line 13, after "Lewiston Orchards project, Idaho", to strike out "$300,000" and insert "$350,000."

The amendment was agreed to.

The next amendment was, on page 26, line 14, after "Provo River project, Utah", to strike out "$400,000" and insert "$500,000."

The amendment was agreed to.

The next amendment was, under the heading "National Military Establishment," on page 27, after line 9, to insert:

DEPARTMENT OF THE ARMY—MILITARY FUNCTIONS, SECRETARY OF THE ARMY

EXPEDITING PRODUCTION

The sum of $2,000,000 of the appropriation "Expediting production of equipment and supplies for national defense, fiscal years 1942–46," shall remain available until June 30, 1949, for the payment of obligations incurred under contracts executed thereunder prior to July 1, 1946.

The amendment was agreed to.

Mr. O'MAHONEY. Mr. President, on page 25, in line 21, the committee amendment is the controversial Straus-Boke amendment to which I desire to address myself briefly in order that the RECORD may be perfectly clear.

As I said a few moments ago, there was no decision of this issue in the full Appropriations Committee. The Deficiency Appropriations Subcommittee which considered the matter, did act; it recommended that the repealer contained in the House bill be stricken from the bill.

Mr. President, in order to understand what this is all about, one should read the rider contained in the Interior Department appropriation bill of last year. The following language is to be found on page 25, beginning in line 23:

Provided further, That after January 31, 1949, no part of any appropriation for the Bureau of Reclamation contained in this act shall be used for the salaries and expenses of a person in any of the following positions in the Bureau of Reclamation, or of any person who performs the duties of any such position, who is not a qualified engineer with at least 5 years' engineering and administrative experience: (1) Commissioner of Reclamation; (2) Assistant Commissioner of Reclamation; and (3) Regional Director of Reclamation.

It will be observed that the effect of that language applies only to the appropriation for the fiscal year ending June 30, 1949. It will further be observed from that language that it provides only that no appropriation contained in the Interior Department Appropriation Act for the fiscal year 1949 shall be used to pay the salaries of certain officials who are not engineers. Obviously, the provision does not have any effect whatsoever after June 30, 1949. If it be argued that the purpose of the amendment was to change the qualifications of the position or office of Commissioner of Reclamation, it is plain that it is ineffective to do so. It merely provides that the person who was the incumbent Commissioner at the time when this rider was passed should not be permitted to draw a salary out of an appropriation contained in the Interior Department Appropriation Act. It does no more; it does no less.

When that legislative rider undertaking to prohibit the use of these appropriations for the payment of salaries to the individuals in such positions who were not engineers was reported by the Appropriations Committee last year, minority views were filed by the Senator from Arizona and the Senator from Wyoming, in which it was pointed out that the purpose of the rider was expressly to remove certain individuals from office. The minority views quoted the statement of former Representative Harness in which he said the object of the rider was to remove from office two officials, Commissioner Michael Straus and Regional Director Boke. The minority views did not prevail. The bill passed with this rider, except that instead of becoming effective immediately upon the enactment of the appropriation bill, as provided in the measure when it came from the House, the rider as finally adopted did not become effective until January 31, 1949.

Mr. President, when the President of the United States this year submitted his recommendation for the next fiscal year, he sent to the Congress a specific recommendation that the rider be repealed. The President, on January 6, 1949, addressed a letter to the Speaker of the House of Representatives, in which he urged the repeal of this restrictive provision. I ask that the full text of the letter, with the accompanying enclosure, be made a part of the RECORD at this point.

There being no objection, the letter, with the accompanying enclosure, was ordered to be printed in the RECORD, as follows:

THE WHITE HOUSE,
Washington, January 6, 1949.

The SPEAKER OF THE HOUSE OF REPRESENTATIVES.

SIR: I have the honor to transmit herewith for the consideration of the Congress a repeal of a proviso contained in the Interior Department Appropriation Act for 1949 which is referred to in the attached letter of the Director of the Bureau of the Budget.

I have previously indicated my opposition to this proviso which has the effect of legislating out of office the Commissioner of the Bureau of Reclamation and one of his principal assistants. This arbitrary action is diametrically opposed to the principles on which this Government is founded. Fur-

thermore, these positions are primarily administrative in character and do not necessarily require a professional engineering background.

I strongly urge the repeal of this restrictive provision.

Respectfully yours,

HARRY S. TRUMAN.

[Estimate No. 3, 81st Cong., 1st sess.]

EXECUTIVE OFFICE OF THE PRESIDENT,
BUREAU OF THE BUDGET,
Washington, D. C., January 5, 1949.

The PRESIDENT,
The White House.

SIR: I have the honor to submit for your consideration a provision of language repealing a proviso in the Interior Department Appropriation Act for 1949 which would legislate out of office the Commissioner of Reclamation and one of the regional directors, as follows:

DEPARTMENT OF THE INTERIOR
BUREAU OF RECLAMATION
General offices

Salaries and expenses (other than project offices)

The proviso under this head in the Interior Department Appropriation Act, 1949, which reads: "*Provided further*, That after January 31, 1949, no part of any appropriation for the Bureau of Reclamation contained in this act shall be used for the salaries and expenses of a person in any of the following positions in the Bureau of Reclamation, or of any person who performs the duties of any such position, who is not a qualified engineer with at least 5 years' engineering and administrative experience: (1) Commissioner of Reclamation; (2) Assistant Commissioner of Reclamation; and (3) Regional Director of Reclamation"—is hereby repealed.

I recommend the transmission of this proposed provision to the Congress.

Respectfully yours,

JAMES E. WEBB,
Director of the Bureau of the Budget.

Mr. O'MAHONEY. I placed the letter in the RECORD to make it clear that the President of the United States has asked for the repeal of this rider. The subcommittee on the deficiency bill held extensive hearings, went into the matter at great length, and reported to the full committee language striking out the repealer. Then, when that came for discussion before the full committee, I think several days at one time or another were devoted in part to the discussion. Finally, after much delay, members of the committee, feeling the necessity of having the bill acted upon on the floor, when one of the members of the committee raised an issue with respect to the loyalty investigation of these individuals under the Loyalty Act a subcommittee was appointed, and it was agreed that the matter should be postponed for decision. One member of the committee suggested that the second deficiency bill would be coming from the House presently, and that the matter could be decided at that time. So in order to save the time of the committee and of the Senate, because a subcommittee had been selected to confer with the Attorney General with respect to the loyalty investigations of the FBI, the bill was reported, but no action was taken upon the issue as an issue. The controversy was postponed.

Mr. WHERRY. Mr. President, will the Senator yield for a question?

The VICE PRESIDENT. Does the Senator from Wyoming yield to the Senator from Nebraska?

Mr. O'MAHONEY. I yield.

Mr. WHERRY. What is the status of Commissioner Straus at the present moment, relative to his service as Commissioner, and also with respect to the payment of his salary?

Mr. O'MAHONEY. As the situation exists now, he is not receiving a salary.

Mr. WHERRY. Is he still serving as Commissioner of Reclamation?

Mr. O'MAHONEY. He is still there, so far as I know. I have not asked.

Mr. WHERRY. I merely wondered, because I was very instrumental in helping to get the legislation passed last year, postponing the effective date to January 31.

Mr. O'MAHONEY. The Senator from Nebraska was very instrument in so doing.

Mr. WHERRY. I wondered what the status was at the present time, and during the interval when apparently the issue has not been decided.

Mr. O'MAHONEY. Obviously no money is being used from the Interior Department appropriation bill to pay the salary of any person mentioned in the rider, and I am sure no money is being used from any other source for that purpose. My only purpose in rising, Mr. President, is to say that this is a very unusual situation. Because there were other bills coming over from the House and because of the desire of Members of the Senate to have the appropriation bill taken up, the controversy was, as I say, postponed. It is my own conviction that if we had had the time, the subcommittee's amendment would not have been rejected by the full committee. Of course I have no way of proving that. That was my own judgment as to the way the votes stood in the committee. But I certainly want the RECORD to make it clear with respect to those of us who believe that this is an improper legislative rider upon an appropriation bill and that it invades the executive functions of the President of the United States by seeking to remove individuals from office, that from our point of view the issue is not yet settled.

Mr. LUCAS. Mr. President, will the Senator yield for a question?

The VICE PRESIDENT. Does the Senator from Wyoming yield to the Senator from Illinois for a question?

Mr. O'MAHONEY. I yield.

Mr. LUCAS. I am glad to hear the Senator say the issue is not settled. What I say has nothing to do with personalities, but it does have something to do with the principle laid down by the President in his letter. It seems to me that if the Appropriations Committee assumes authority to do what it has done in this case, with respect to the qualifications of a man in an executive department, then they are certainly usurping the power that rightfully belongs to the executive department. I am sure the Senator from Wyoming will agree with me about that.

Mr. O'MAHONEY. I may say that of course the Congress does have the right at any time to change the qualifications for any position in the executive department, the qualifications of which are not fixed by the Constitution. If they are fixed by statute, they can be changed, and, of course, they can be changed by a rider to an appropriation bill, when the rider is properly adopted. But in this case I point out that this is a perfectly futile attempt to change the qualifications, because it has no effect except between the period from January 31, 1949, to June 30, 1949.

Mr. LUCAS. I understand that. Mr. President, will the Senator yield for one more question?

Mr. O'MAHONEY. I yield.

Mr. LUCAS. I think the Senator will agree with me that the Congress has power to prescribe any qualifications, other than those prescribed by Constitution, they desire for a person who is serving in the executive branch of the Government. But what the Senator from Illinois is objecting to is the Appropriations Committee using a rider of this kind to disqualify an individual without some committee of the Senate, other than the Appropriations Committee, peculiarly fitted or qualified to investigate and consider the question being permitted an opportunity to do so. That is the point I am making now, and I think what the President said in his message to the Congress is fundamental. I think the Congress itself ought to be jealous of the different prerogatives we have, and attempt the best we can to restrain the Appropriations Committee from doing what has been in this bill, or from doing again what they did last year.

Mr. O'MAHONEY. In response to the Senator, I think it is appropriate for me to read a paragraph from the statement which was issued by former Representative Forest A. Harness, immediately before the Interior Department bill was handled in the House a year ago. In the statement he said:

> Legislation which would have the effect of removing Reclamation Commissioner Michael Strauss and Richard Boke, director of the Bureau's region 2, California, from their present positions, was recommended today by Chairman Forest A. Harness (Republican, Indiana), of the House subcommittee on publicity and propaganda.

He then sets forth this amendment or rider, which was designed to remove, as he said, certain officials. This is what prompted the President, no doubt, in signing the appropriation bill last year, to issue this statement:

> Yesterday—
>
> Said the President—
>
> I signed the Interior Department Appropriation Act of 1949. I did so only because I had no choice. Since the bill came to me after the Congress had adjourned, a veto would close down the operations of the Department of the Interior on July 1.
>
> If it had been possible to veto this bill without bringing the vital work of the Department to a standstill, I would have done so because of a rider in the bill establishing arbitrary qualifications for the Commissioner, the assistant commissioners, and the regional directors of the Bureau of Reclamation. This rider is designed to effect the removal of two men now holding such positions who have supported the public-power policy of the Government and the 160-acre law which assures that western lands reclaimed at public expense shall be used for the development of family-sized farms. No matter what may be the asserted reasons for wanting to remove these men from office, the result would be to serve the purposes of

special interests desirous of monopolizing the rich farm lands of the West and intent upon stopping the construction of transmission lines for the delivery of power from Federal dams. These same interests tried first to get the law changed, but failed, and having failed, then sought to get the management changed.

So, Mr. President, the President made clear when he signed the bill last year and when he sent his message to the Speaker of the House, that the record of this legislation is an invasion of the Executive power of removal.

Let me add one word more. I appeared before the subcommittee of the Committee on the Judiciary and recited to that committee that, as chairman of the Committee on Interior and Insular Affairs, I stood ready at all times to go into the matter of qualifications thoroughly and completely. Since that time my good friend the Senator from California [Mr. DOWNEY] has submitted a resolution calling for an investigation of the Bureau of Reclamation. I have said to the Senator from California, privately, and I now say to him publicly, that it will be the purpose of the chairman of the committee to conduct that investigation. The committee has not only the power, but I think it has the duty to do so. I make this statement, Mr. President, only in order that it may be clear that because I did not ask for a vote on the question, I am not indicating that, in my opinion or in the opinion of many Members of the Appropriations Committee, the issue is settled.

Mr. DOWNEY. Mr. President, will the Senator yield ?

Mr. O'MAHONEY. I yield to the Senator from California.

Mr. DOWNEY. Mr. President, is the Senator willing to announce publicly in the Senate that the investigation which I have demanded of the Bureau of Reclamation shall be commenced within a period of 30 days, and thereafter vigorously prosecuted by his committee until its completion?

Mr. O'MAHONEY. Mr. President, my best answer to the Senator from California is this: There are before the Committee on Interior and Insular Affairs two matters of the utmost importance in which the people of California and the Senators from that State are deeply interested. One is the controversy over the waters of the Colorado River; the other is the legislation with respect to tidelands.

I shall not undertake at this time, and on the floor, to give a categorical reply with reference to a time within which this matter will be taken up, but I assure the Senator from California that if I can ever get my head above the waters of the Colorado River without having it submerged in the tidelands, we shall go ahead with the investigation.

Mr. DOWNEY. Mr. President, let me say that whenever any committee, including that of the distinguished Senator from Wyoming, is willing to listen to undeniable testimony supported conclusively by documentary proof, I am prepared to show that every day the inefficiency and dishonesty of the Bureau of Reclamation is continued in the West, tens of thousands of dollars are being lost. I am prepared to show by undeniable proof, on my word as a Senator, that there exists now a conspiracy in the Bureau of Reclamation to promote unneeded and extravagant projects, and that if they are successful—and they may be successful within the next 60 days—the Federal Government, the farmers of California, and others will pay an unnecessary bill of at least $100,000,000.

So, Mr. President, I say to the distinguished Senator from Wyoming that his happy statement to me that whenever he can get free of the waters of the Colorado River and of the tidelands, he will undertake to consider this question, does not satisfy me. I have already presented to the subcommittee of the Appropriations Committee conclusive proof of the waste and maladministration under these nonengineering employees of the Government. I am prepared, whenever any committee is prepared to listen, to present an abundance of testimony of that kind—testimony so shocking and so incredible that it should result in the removal of these guilty men overnight.

Mr. President, the condition is so serious that it cannot be exaggerated. The loss runs into such huge sums that I say any appropriations committee charged with the duty of safeguarding the funds of the taxpayers, seeing maladministration by men lacking all essential qualifications of engineers, which did not say, "To the best of our power, we will prevent the waste of funds of the Government by changing this maladministration to one of high engineering ethics," would be derelict in its duty.

Certainly, Mr. President, the primary duty to appoint or to supersede these men rests with the Executive. But the primary duty of the distinguished chairman of the Appropriations Committee, and of the members of that committee, is to safeguard the funds of the public; and whenever convincing and conclusive evidence is presented to them of a wild and incredible mismanagement and waste, then I say, contrary to what the distinguished Senator from Wyoming has said, the members of that committee would be derelict if they had not done what they have done here, namely, to delete the House provision.

The distinguished Senator says this controversy has not been settled, but is merely postponed. Let me say to him that it has been postponed in a way that is entirely satisfactory to me, and whenever it is desired by any Senator to renew the controversy, we shall be present with an abundance of evidence to corroborate our position.

Mr. KNOWLAND. Mr. President, I do not intend to delay the Senate long on this point, and I had not intended to speak today, and would not do so except for the statement made by the Senator from Wyoming [Mr. O'MAHONEY]. However, I do not believe that the RECORD should be allowed to stand as it is without having some clarification. I have the highest regard and respect for the Senator from Wyoming.

I had the privilege of serving during the Eightieth Congress as a member of the Senate Committee on Appropriations. I wish to say to the Members of the Senate that the issue now being discussed has nothing whatever to do with the question of the transmission of power. Both my colleagues, the senior Senator from California, who sits on the other side of the aisle, and the junior Senator from California, are in favor of and have been consistently in favor of the building of transmission lines from Shasta Dam to the load centers, which have been a part of the Central Valley project from its inception. So the question of the transmission of power has nothing at all to do with the issue under consideration.

I wish to say that one of the fundamental responsibilities of a Senate committee or a House committee, and particularly of the Appropriations Committee of this body is to get information from the executive branch of the Government so that it can properly study appropriation bills, and can report to the Members of the Senate what the facts happen to be. Unless the Committee on Appropriations is able to get such information, the members cannot discharge their responsibility to themselves or to the Senate.

It so happened that I was serving as acting chairman of the subcommittee at the time Mr. Straus testified 2 years ago, and I asked him some questions when the committee had under discussion the Central Valley project. In answer to an inquiry which I propounded, the Commissioner of Reclamation stated that the carry-over funds in the Central Valley project would amount to $10,000,000. I pressed him considerably on that point, because there was some doubt in the minds of the committee as to just what the carry-over fund would be. Time and time again Mr. Straus testified that the amount of the carry-over would be $10,000,000.

Mr. President, that session of the Congress went by. The Congress made appropriations based on the information it had before it. A year later we discovered that a month before the Commissioner of Reclamation had testified before our committee that the carry-over fund would amount to $10,000,000, he had received by teletype from his agents in the field in the State of California information that in fact the carry-over was some $25,000,000, or more than double the amount he had stated.

Mr. President, this is a very serious matter. It has nothing whatever to do with partisanship. It has nothing whatever to do with transmission lines.

The able Senator from Illinois has stated that there was a matter of principle involved. The matter of principle that is involved is whether or not representatives of the executive branch of the Government of the United States are to come before a Senate committee, the Committee on Appropriations or any other committee of this body, and give testimony before the committee that is willfully and deliberately false. If the Senate or the Congress tolerates in one iota representatives of the executive branch coming before a committee and giving willfully false and untrue testimony, no matter what party is in control

of the executive branch of the Government, no matter what party is in control of the Congress, I say that it tends to undermine the legislative processes of the Government, and makes it completely impossible for the Congress to discharge its obligation.

Mr. CHAVEZ. Mr. President, will the Senator from California yield?

Mr. KNOWLAND. I yield to the Senator from New Mexico.

Mr. CHAVEZ. Is it not a fact, however, that so far as concerns the issue the Senator from California is discussing, and the issue the Senator from Wyoming and the senior Senator from California have discussed, that issue is not involved in the pending matter? Is it not a fact that the Committee on Appropriations left the matter in the same situation in which the Eightieth Congress left it a year ago?

Mr. KNOWLAND. The Senator is correct, but as I pointed out at the beginning of my remarks, which are now almost concluded, I had not intended to speak on this subject, and would not have done so save for the fact that the Senator from Wyoming made a statement which I did not think completely covered the reasons which required the Congress in the last session to make the change, and I felt that the RECORD should be corrected.

Mr. CHAVEZ. Undoubtedly the Senator is making a record, but the Committee on Appropriations of the Senate, in order to save this body at this time going over the details it went over for 3 or 4 weeks, and in order to pass a deficiency bill which is absolutely necessary, avoided the controversy which the three Senators have been discussing. So why can we not pass the deficiency appropriation bill, and discuss at some other time the issue whether Boke and Straus should continue to serve the Government?

Mr. KNOWLAND. With all due respect for the Senator from New Mexico, for whom I have the highest regard, I have not taken more than 5 minutes of the time of the Senate, which I have used in order to make clear what I think needs to be clarified to the Senate. A number of letters have been written to various Members of the Senate. For the information of those who have not sat through the Appropriations Committee hearings, those who did not realize that here was involved an issue in which the very ability of a committee of the Congress properly to function was involved, I felt that it was worth a few minutes of the time of the Senate to clear the matter up.

I merely wish to say, in conclusion, Mr. President, that I am pleased that the Committee on Appropriations has taken the stand it has assumed. If and when the issues shall come before the Senate, I expect to have something further to say on the matter, and to cite the page, the verse, and the book to show that there was a deliberate and willful attempt to deprive a committee of the Senate of information to which it was lawfully and properly entitled.

Mr. WHERRY. Mr. President, I asked the distinguished Senator from Wyoming as to what the status of Commissioner Straus was at this time, in view of the amendment that became effective on January 31, 1949, and which is now in effect, and the answer was, of course, that the Commissioner was not drawing any salary.

I should like to ask a further question, if I may, and I ask it because I have been asked the question myself. Does the senior Senator from Wyoming feel that the Commissioner should remain in full charge, and perform the functions of the office of Commissioner, even though he has not been paid?

Mr. O'MAHONEY. Mr. President, my opinion upon that matter is of no effect at all.

Mr. WHERRY. What is the Senator's opinion?

Mr. O'MAHONEY. I have not looked into the law. I have been given to understand that the Solicitor for the Department of the Interior takes the position that the provision which cuts off the salary of the Commissioner does not cut off his duties. That probably would have to be decided by higher authority than the Senator from Wyoming.

Mr. WHERRY. Mr. President, I thank the distinguished Senator for his observation. I do not wish to take the time of the Senate today, but I am in a state of total confusion as to what the result is to be on this amendment. I wish to state, as a member of the Committee on Appropriations, that when I joined in reaching what I thought at the time was a solution of the difficulty, and helped adopt the provision in the Eightieth Congress, I thought that by January 31, 1949, the issue would be determined. But the controversy has continued, and here is an official who is not drawing any salary, but apparently is assuming the full responsibility and authority of the office.

It seems to me the issue will not be settled if the provision contained in the pending bill is repealed. In order to accomplish the objective which some Senators apparently thought was accomplished, that is, to provide by law that only a qualified engineer shall occupy the place in question, there ought to be some limit to the time the Commissioner who is not qualified under the language of the rider placed on the appropriation bill could serve.

Mr. McKELLAR. Mr. President, there are a few committee amendments which have not been acted upon. I ask the Senate to act on them at this time.

The PRESIDING OFFICER (Mr. HOLLAND in the chair). The clerk will state the next committee amendment.

The next amendment was, under the subhead "Rivers and harbors—Maintenance and improvement of existing river and harbor works", on page 28, line 5, after the word "works", to strike out $10,500,000" and insert "$10,509,000."

The amendment was agreed to.

The next amendment was, under the subhead "Flood control—Flood control, general (emergency fund)", on page 28, before the words "to remain" to strike out "$2,500,000" and insert "$20,000,000", and in line 16, after the word "expended", to insert a colon and the following proviso:

Provided, That not to exceed $2,000,000 shall be made available under the provisions of and for the purposes enumerated in section 205 of the above act.

The amendment was agreed to.

The next amendment was, on page 30, after line 11, to insert:

TITLE II—CLAIMS FOR DAMAGES, AUDITED CLAIMS, AND JUDGMENTS

For payment of claims for damages as settled and determined by departments and agencies in accord with law, audited claims certified to be due by the General Accounting Office, and judgments rendered against the United States by United States district courts and the United States Court of Claims, as set forth in Senate Document Nos. 15 and 24, Eighty-first Congress, $22,700,571.07, together with such amounts as may be necessary to pay interest (as and when specified in such judgments or in certain of the settlements of the General Accounting Office or provided by law) and such additional sums due to increases in rates of exchange as may be necessary to pay claims in foreign currency: *Provided,* That no judgment herein appropriated for shall be paid until it shall have become final and conclusive against the United States by failure of the parties to appeal or otherwise: *Provided further,* That unless otherwise specifically required by law or by the judgment, payment of interest wherever appropriated for herein shall not continue for more than 30 days after the date of approval of this act.

The amendment was agreed to.

The next amendment was, on page 31, after line 8, to insert a new heading, as follows: "Title III—General provisions."

The amendment was agreed to.

The next amendment was, on page 31, line 10, to change the section number from "2" to "301."

The amendment was agreed to.

The next amendment was, on page 32, after line 16, to strike out:

SEC. 3. The provision in the Treasury Department Appropriation Act, 1949, which places a limit on the price which may be paid for such typewriters as may be purchased under the act shall not apply to the purchase of office type machines which are designed and constructed primarily to compose and print master copies for quantity reproduction by another process.

The amendment was agreed to.

The next amendment was, on page 33, line 1, to change the section number from "4" to "302."

The amendment was agreed to.

The PRESIDING OFFICER. That concludes the committee amendments.

Mr. McKELLAR. Mr. President, on behalf of the committee I offer an amendment, which I ask to have stated.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 32, after line 23, it is proposed to insert the following new section:

SEC. 302. The appropriations and authority with respect to appropriations in this act in whole or in part for the fiscal year 1949 shall be available from and including March 1, 1949, for the purposes respectively provided in such appropriations and authority. All obligations incurred during the period between March 1, 1949, and the date of the enactment of this act in anticipation of such appropriations and authority are hereby ratified and confirmed if in accordance with the terms thereof.

Mr. McKELLAR. Mr. President, I ask to have printed at this point in the RECORD certain data giving justification for

the amendment, and I ask that the amendment be adopted.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Tennessee on behalf of the committee.

The amendment was agreed to.

The PRESIDING OFFICER. Without objection, the data referred to will be printed in the RECORD at this point.

The matter referred to is as follows:

EXECUTIVE OFFICE OF THE PRESIDENT, BUREAU OF THE BUDGET,
Washington, D. C., April 1, 1949.

(Memorandum for Mr. Everard H. Smith, Senate Committee on Appropriations)

We have reviewed the items in the first deficiency appropriation bill, 1949, with regard to those appropriations which are out of funds or will be out by April 15, 1949, for obligation purposes. As some of these appropriations were exhausted as far back as March 1, 1949, it is felt desirable to redraft your proposed section 3 to cover this by using March 1 instead of April 1.

Attached is the suggested redraft of section 3 and a list of the appropriations which will be out of funds by April 15, 1949.

F. J. LAWTON,
Assistant Director.

SEC. 302. The appropriations and authority with respect to appropriations in this act in whole or in part for the fiscal year 1949 shall be available from and including March 1, 1949, for the purposes respectively provided in such appropriations and authority. All obligations incurred during the period between March 1, 1949, and the date of the enactment of this act in anticipation of such appropriations and authority are hereby ratified and confirmed if in accordance with the terms thereof.

APPROPRIATIONS HAVING SUPPLEMENTAL AMOUNTS IN PENDING FIRST DEFICIENCY BILL WHICH WILL BE OUT OF FUNDS FOR OBLIGATION PURPOSES BEFORE APRIL 15, 1949

The judiciary: Fees of jurors: April 14.
Office for Emergency Management: Office of Defense Transportation: Salaries and expenses: March 1.
Federal Security Agency:
- Employees' compensation fund: April 1.
- Grants to States for public assistance: April 1.

Housing Expediter: Salaries and expenses: March 15.
United States Maritime Commission: Vessel operating functions: March 1.
Veterans' Administration:
- National service life insurance: January 1.
- Soldiers' and sailors' civil relief: January 1.
- Veterans' miscellaneous benefits: March 10.

War Assets Administration: Salaries and expenses: April.
Department of Agriculture: Commodity Credit Corporation: Administrative expenses: April 4.
Department of Commerce: Bureau of Foreign and Domestic Commerce: Export control: April 1.
Department of the Interior:
- Bureau of Indian Affairs: Welfare of Indians: February 24.
- Bureau of Reclamation: General fund, construction: Davis Dam project, Arizona-Nevada: March 1.

Post Office Department:
- Railroad transportation and mail messenger service: March 15.
- Railway mail service, travel allowance: March 8.
- Foreign air-mail service: February 28.
- Vehicle service: March 19.

EXECUTIVE OFFICE OF THE PRESIDENT,
BUREAU OF THE BUDGET,
Washington, D. C., April 8, 1949.

(Memorandum for Mr. Everard Smith, Committee on Appropriations, United States Senate)

Supplementing my memorandum of April 1 concerning the dates on which certain agencies in the first deficiency bill would run out of funds for obligating purposes, I would like to call your attention to the following cases in which the agencies will run out of cash to make payments:

Veterans' Administration—Veterans' miscellaneous benefits: Out of cash at the present time.
Judiciary—Fees of jurors: Will be out of cash April 14.
Housing Expediter—Salaries and expenses: Will meet April 13 pay roll by deferring payments of all other bills and will be out of cash thereafter. Next pay roll date April 27.
War Assets Administration—Salaries and expenses: Will meet April 13 pay roll by deferring payment of all other bills and will be out of cash thereafter. Next pay roll date April 27.
Federal Housing Administrator—Administrative expenses: Will meet April 13 pay roll by deferring payments of all other bills and will be out of cash thereafter. Next pay roll date April 27.
Commerce—Export control: Can meet April 18 pay roll by deferring payment of all other bills but will have no cash thereafter. Next pay roll date May 2.
Interior—Welfare of Indians: Out of cash now.
General Fund Construction—Davis Dam: Out of cash now.

I mention these because of the fact that the proposed recess of the House might prevent completion of consideration of this bill until after April 25. Several of the agencies are worried as to whether they should continue to obligate against the amounts in the bill by keeping people on the pay roll when they will have no cash to meet these pay rolls until the bill is passed.

F. J. LAWTON,
Assistant Director.

Mr. McKELLAR. Mr. President, I ask that the vote by which the committee amendment on page 33, line 1, to strike out the numeral "4" and insert in lieu thereof the numerals "302" be reconsidered.

The PRESIDING OFFICER. Without objection, the vote by which the committee amendment was agreed to will be reconsidered.

Mr. McKELLAR. Mr. President, I now offer an amendment to the committee amendment in line 1 on page 33, to strike out "302" and insert in lieu thereof "303."

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Tennessee to the committee amendment.

The amendment to the amendment was agreed to.

The amendment, as amended, was agreed to.

The PRESIDING OFFICER. Without objection, the clerks will be authorized to make such corrections of section numbers throughout the bill as may be necessary.

Mr. McKELLAR. Mr. President, on behalf of the Committee on Appropriations I offer another amendment which I ask to have stated.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 3, after line 14, it is proposed to insert the following:

The basic salary of the research assistant to the minority leader authorized by Senate Resolution No. 158, agreed to December 9, 1941, hereby is increased from $6,000 to $7,320 per annum.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. WATKINS. Mr. President, I send to the desk an amendment which I ask to have stated.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 21, after line 16, it is proposed to insert the following:

CONSTRUCTION, ETC., BUILDINGS AND UTILITIES

For an additional amount under this heading for the conversion of the Bushnell Army Hospital, Brigham City, Utah, for school purposes, $3,750,000, and the limitation, under "Construction, etc., buildings and utilities" in the Department of Interior Appropriation Act, 1949, on the amount which may be used for surveys and plans and administrative expenses, etc., is increased from $190,000 to $227,500.

Mr. McKELLAR. Mr. President, the committee has not passed on the amendment, but so far as the chairman of the committee is concerned, it seems to me the amendment might well be adopted in the interest of the Indians. I have no objection to the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Utah [Mr. WATKINS].

The amendment was agreed to.

Mr. WATKINS. Mr. President, I appreciate the very fine statement made by the chairman, but for the purpose of the RECORD I should like to make a brief explanation of why the amendment is offered, particularly at this time.

As many Senators know, and many probably do not know, some 61,000 Navajo Indians are living on the Navajo Reservation in New Mexico, Arizona, and Utah. We made a treaty with these Indians about 80 years ago in which we agreed to provide educational facilities for them. As I remember the words of the treaty we were to provide one school room and a teacher for each 30 pupils. There are now on that reservation some 16,000 children of school age who are not in school. Such a situation has existed for years, because the United States has not provided the facilities for these Indians.

They are quite a problem now in the matter of welfare. Many of them are not in condition to work at white occupations. We find, as a matter of fact, that the reservation resources will not sustain more than 30,000 of these Indians, although there are now about 61,000 Indians on the reservation. It is going to be necessary, and it is now gen-

erally recognized as being necessary, to move from thirty to thirty-one thousand of these Indians elsewhere in the United States so they can make a living and become self-sustaining citizens of the United States.

We are under the obligation of educating these Indians. Sixteen thousand of them, as I have just pointed out, are not in school. We had a program submitted to us by the Department of the Interior and by the Bureau of Indian Affairs, calling for educational facilities and for a welfare program for these Indians, amounting to $90,000,000. Personally I look with much favor upon that program. Certainly in order to keep our pledged word, if not for the sake of humanity, we should do something for the relief of these Indians.

In Utah the United States constructed during the war the Bushnell Military Hospital. It is of permanent construction, brick, steel, and concrete. It cost more than $10,000,000. The hospital buildings are readily convertible into dormatories for Indians. We have found that at least 80 percent of the Indians do not understand English, do not speak it, and for that reason cannot take occupations and work in white communities. There are in the Bushnell Military Hospital some 80 buildings of brick, steel, and concrete. It is almost a complete city in itself. It has been abandoned for several years by the Army and turned over to the War Assets Administration. The War Assets Administration has tried, without success, to sell the plant. It has not received any offers at all except from one man who is willing to take the plant, pay a dollar for it, and operate it as a private school for under-privileged children. He was going to have a military school there. His situation was investigated and it was found he did not have sufficient resources to carry on. Had his offer been accepted we would not only have been required to give him the buildings and the plant, and some 800 acres of very fine ground, but we would have been required also to equip the plant for him, and then it is doubtful if he could have succeeded. He was the only one who came forward with any kind of offer to use these buildings. It costs us $30,000 a year to maintain the buildings with guards and fire protection.

The War Assets Administrator, Colonel Larson, came before the Senate Committee on Expenditures in the Executive Departments and testified that the proposal to turn the Bushnell Military Hospital over to the Department of the Interior for the use of the Bureau of Indian Affairs in educating these children in a boarding school was a very fine proposal and he favored it. The Acting Commissioner of Indian Affairs, Mr. Zimmerman, and Dr. Beatty, Director of the Division of Education of the Bureau of Indian Affairs, also testified that this plant could be converted so that 2,000 Indian youngsters could be housed there in a boarding school where they could be trained in vocational education and in English so they could work among white people and maintain themselves.

It is only about a day's trip by bus from the Indian reservation to Brigham City, which is in the heart of industrial and agricultural Utah. There will be ample opportunities for these Indians to work when they are once trained, when they are once taught the English language. We have the need. The buildings are ready to be used. By the way, Public Law 20 was passed by the present Congress authorizing the transfer from the War Assets Administration to the Bureau of Indian Affairs of the Department of the Interior of these buildings, to take effect upon the appropriation being made, so the Bureau of Indian Affairs could go to work.

The Indian Bureau now plans to make full use of this plant. Two thousand Indians not in school can be taken there—probably those 12 years of age and older, those who are old enough to learn vocations and trades—just as soon as the plant is ready.

The reason why this program could not be fully considered by the committee either in the House or the Senate was that the law was not passed in sufficient time to get the information before the necessary committees. I have discussed the subject with the Bureau of the Budget and with the Indian Bureau, and they are in hearty accord with what I am now doing, that is, bringing the question to the attention of the Senate and having the project included in the pending bill as an amendment, so that beginning next fall this plant can be placed in operation, probably on a limited scale, for the education of Indian children. Probably by January 1, if we start immediately with the construction of the necessary classrooms to go along with the dormitories, the full 2,000 Indian students can be housed there and go to work. Delay until July 1 would probably bring construction into the winter. I think Members of the Senate know that in that climate construction is almost impossible in the winter. In any event, it would be very costly. So we shall save the $38,000 a year which we are spending for guards, and put Indian children in school where they belong, and where we have agreed to put them. The country will be better served by having this done now.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. WATKINS. I yield.

Mr. LANGER. How many Indians will be taken care of at this particular place?

Mr. WATKINS. Two thousand from the Navajo Reservation, and some from other reservations can come in as the need develops.

Mr. LANGER. What is being done about the remainder of the Indians who are not going to school?

Mr. WATKINS. Fourteen thousand Navajo children not now in school, and whom we are obligated to place in school, will have to be provided for by some other means. I shall come back here and, in company with other Members of this body, present measures and ask for appropriations to carry out our pledge to those Navajo Indian children. After this project is taken care of, the remainder of the 16,000 children will be placed in school.

Mr. LANGER. Does not the Senator believe that now is as good a time as any to take care of the remainder of those children? Why wait until we come back again?

Mr. WATKINS. I think it would be impossible in a deficiency appropriation, and in cooperation with the Indian Bureau, to get the necessary plans ready so that the appropriation could be placed in this bill.

The principal reason for placing this particular amendment in the bill is to save a year in the lives of these students and put them in school now, rather than come along with an appropriation in July and have the construction drag through the winter. The President has approved the plan. The Indian Bureau recommended it, and the Budget Bureau cleared it. We intend to follow through with this plan, and now is the time to do it. If this bill is passed tonight and becomes a law within a few days, money will immediately become available.

Furthermore, it is necessary to get equipment for the school. The Indian Bureau has been notified that at Hanford, Wash., there are available many articles which will be needed in the Indian school, such as cooking utensils, stoves, bedding and beds, and other types of equipment now on sale at the atomic energy plant there. Some money is needed immediately in order to enable the Indian Bureau to buy these articles. Under the law, they must have cash. That is why the latter part of the amendment authorizes an increase in administration expenses at this time.

Mr. LANGER. Mr. President, will the Senator further yield?

Mr. WATKINS. I yield.

Mr. LANGER. Just when does the Senator intend to offer an amendment or introduce a bill to take care of the remainder of the Indian children who should be in school?

Mr. WATKINS. I intend to work with the Indian Bureau and the Department of the Interior. As the Senator knows, I was chairman of the Indian subcommittee for the past 2 years. We have been trying to devise a program to take care of the needs. I hope the department will have its plans ready. If we proceed as we intend to proceed, I think there will be a measure before the Congress in the near future to accomplish that purpose.

Mr. LANGER. I suggest to the Senator that the second deficiency appropriation bill will be before us in 2 weeks. Does not the Senator believe that he could have an amendment ready by that time to take care of the remainder of those children who long ago should have been in school? Thousands of them cannot even speak English.

Mr. WATKINS. I so understand.

I am especially concerned when I consider the ease with which we approved an authorization bill for $16,000,000 for the Arabs over in Palestine, who are not particularly and directly our concern. That measure went through promptly.

I am sure that the Congress, realizing its responsibility, will take care of those Indians.

Mr. President, I should like to have printed in the RECORD at this point as a part of my remarks a report submitted by the Senator from North Carolina [Mr. HOEY] from the Committee on Expenditures in the Executive Departments, on Senate bill 170. It gives the details and the information which would have been given to the Committee on Appropriations.

There being no objection, the report (No. 30) was ordered to be printed in the RECORD, as follows:

The Committee on Expenditures in the Executive Departments, having considered the bill (S. 170) to authorize the transfer of certain property to the Secretary of the Interior, and for other purposes, report favorably thereon, with an amendment, and recommended that it do pass.

This legislation authorizes the Administrator of the War Assets Administration to transfer to the Secretary of the Interior, for use by the Bureau of Indian Affairs as a vocational school for Indian children and a center for housing and training adult Indians for off-reservation employment and placement, the property known as the Bushnell General Hospital near Brigham City, Box Elder County, Utah, comprising 298.5 acres, more or less, together with roads, buildings, and other betterments thereon.

The Bushnell General Hospital was constructed by the Army in 1942 and 1943 as a 3,700-bed general and psychiatric hospital consisting of 188 permanent buildings, of which 108 were of wood-frame construction and 95 buildings of brick. The acquisition and improvement cost was $9,822,915.99.

The hospital was declared surplus to the needs of the Army on August 21, 1946, after being rejected by the Veterans' Administration because of the lack of medical personney in the immediate vicinity and the difficulty in staffing and maintaining the facility.

After advertising the property for sale or lease as a unit, during 1947, with no satisfactory bids, the War Assets Administration sold a total of 73 wood-frame buildings for off-site removal. On January 2, 1948, two areas were advertised for disposal as residential and farm land. Further advertisements of sale as separate units during 1948 resulted in the rejection of all bids.

The entire land area and the remaining 115 buildings were readvertised on November 15, 1948, with a fair valuation established at $4,788,560. One offer on the property, for transfer on a public-benefit-allowance basis, was received but disposal was withheld at the request of the Bureau of Indian Affairs, pending enactment of necessary legislation to authorize its acquisition and operation as a school for Navajo Indians.

Under the treaty between the United States of America and the Navajo Tribe of Indians, proclaimed August 12, 1868, article VI provides in part as follows: "and the United States agrees that, for every 30 children between said ages who can be induced or compelled to attend school, a house shall be provided, and a teacher competent to teach the elementary branches of an English education shall be furnished who will reside among said Indians and faithfully discharge his or her duties as a teacher."

It is estimated that there are about 61,000 Navajo Indians now residing on the Navajo Indian Reservation in Utah, Arizona, and New Mexico, near the hospital site, with some 22,000 children of school age. The sponsors of this legislation maintain that the Government is still under obligation to educate these children, 16,000 of whom are at present not in school.

The hospital property involved in the proposed bill has no value to the Government in its present state, and its maintenance costs average approximately $3,200 per month. It has been estimated that the construction of facilities of comparable size would cost $14,000,000, whereas the present buildings can be converted to use as an Indian school at a cost of approximately $2,000,000 to accommodate 1,400 children, and $3,650,000 to its capacity of 2,000.

The transfer of this property to the Bureau of Indian Affairs for educational purposes and other utilization in behalf of the Indians would serve a useful and much-needed purpose. It would also remove the cost of maintenance and bring the property to an improved permanent status toward easy conversion as a Government hospital in any future emergency.

The Bureau of the Budget reported to the committee that there would be no objection to the passage of this bill. The following letters set forth the views of the Secretary of the Interior and the War Assets Administrator:

THE SECRETARY OF THE INTERIOR,
Washington, January 25, 1949.

Hon. JOHN L. MCCLELLAN,
Chairman, Committee on Expenditures, United States Senate.

MY DEAR SENATOR MCCLELLAN: Reference is made to your request for a report on S. 170, a bill for the transfer of certain property to the Secretary of the Interior, and for other purposes.

If amended as set out below, I recommend that S. 170 be enacted.

It is estimated that there are approximately 23,000 Navajo children of school age. At the present time there are educational facilities on the reservation, public, mission, and Federal schools for about 5,500. Provisions have been made during the last 2 years to transfer another 1,800 to off-reservation Federal schools. There remain, therefore, 15,700 Navajo children between the ages of 6 and 18 years for whom no school facilities are available.

Bushnell General Hospital, Brigham City, Box Elder County, Utah, was originally built by the Army as a 3,700-bed general and neuropsychiatric hospital. The plant consists of 108 permanent buildings on a site of about 298 acres, immediately at the edge of the city. The original installation is reported to have cost $10,393,000. The buildings are in good condition, although all of the movable equipment has been removed.

The plant has been examined with a view to its conversion to an Indian vocational school. While not ideal, from school standards, it was found that a majority of the buildings may be converted to profitable use. Two great lacks will be classroom facilities and quarters for resident employees. It will also be necessary to reequip the plant completely.

In the proposed use of the plant two goals are possible. First, a school of about 1,400 pupils, which can be achieved with a minimum of additional construction. Second, a school of 2,000, which can be achieved by the construction of additional classroom facilities and employees' quarters. In either event the per-pupil cost will be well below that necessary to provide new facilities for an equal number of children.

After mature consideration it is my recommendation that plans be made for a school of 2,000 Navajo children at the Bushnell hospital plant, for this will provide for the education of the greatest number of Indians not now in any school for the least expenditure of funds. The necessary remodeling to provide dormitory facilities for 2,000 children is very slight. However, it will be necessary to provide by remodeling or by new construction quarters for approximately 100 married couples as well as more desirable quarters for approximately 90 single employees. It is assumed that about 25 will be housed off campus. The only employees housed on the Bushnell grounds were single nurses and WAC officers who were given one small room each, which is less than is being supplied to Indian Service employees anywhere in the United States. Officers were required to live off campus; many of the maintenance employees were employed from among the local residents who already had homes in Brigham City; and relatively few of the employed personnel were married. For an Indian Service boarding school, it will be necessary for the majority of teachers, dormitory workers, and supervisory personnel to be housed on the campus. It will be possible to make an arrangement very similar to that of the hospital in seeking maintenance employees from among the residents of the community who will have their own homes. Only 2 of the major buildings on the campus are suitable for remodeling into classroom structures and these will provide only 35 classrooms. It will, therefore, be necessary to build 3 additional structures of about 14 classrooms each to provide the necessary adequate space (total, 42 additional rooms). Scattered around the grounds are other structures which will lend themselves to use as home economics rooms and shops. The hospital had a gymnasium and a swimming pool but no large auditorium. With 2,000 students it will be necessary to have an additional gymnasium and an auditorium of between 800 and 1,200 seating capacity. It is estimated that:

The cost of repairs and alterations, will amount to approximately	$950,000
The cost of new construction will amount to approximately	1,867,000
Of new equipment to replace that which has been removed	700,000
Supervision and contingencies	128,000
Subtotal	3,645,000
It is proposed, also, to use the Bushnell grounds and some of the structures as a center for aduit Navajos and other Indians for whom off-reservation employment and permanent relocation is being sought. These families will be allowed to live at the site between periods of seasonal employment, and during their residence a program of training in off-reservation manners and customs and in the use of English will be undertaken. The necessary alterations and equipment to provide 36 apartments for this purpose will be	133,000
Total	3,778,000

A careful study shows that the cost of operating the public utilities (heat, light, sewage, etc.) will amount to $280,200 annually for 2,000 children. If the total amount for repairs, alterations, and new construction is provided during the spring of the year and new construction begins as promptly as possible, it should prove possible to enroll an average of 1,200 children at Bushnell during the fiscal year 1950. It is estimated that the cost of operating plant and utilities for this limited number of children will be $252,000 for the full 12 months. At the present time, WAA is maintaining a stand-by staff, the cost of which will have to be assumed by the Indian Service from the time of transfer until children begin to occupy the school, at an approximate monthly cost of $2,750; and the cost of the teaching staff, materials of instruction, food, etc., will amount to $460,000 covering an average of 1,200 children for 7 months. It is believed that when the full enrollment of 2,000 pupils is achieved the oper-

ating cost will run around $751 per capita, or $58 more than the average nonreservation school, due to the greater cost of operating within this Army structure and because about half the children will attend for 12 months.

Practically all of the youngsters who will be placed in this school will be from the Navajo Reservation—a majority will be non-English-speaking when they are received. Many will be more than 12 years old and entering school for the first time. For these older pupils, an intensive shorter educational period must be planned. As a result, the total operating cost will be somewhat greater than for the average boarding school which is not faced with these problems.

In spite of these greater costs, the operation of Bushnell for this purpose will represent a savings to the Government, for it will begin to receive some continuing benefit on the original investment for property which now stands idle.

To clarify the apparent intent of S. 170, which is to transfer this property between agencies of the Federal Government without reimbursement or transfer of funds, it is recommended that the bill be amended by inserting after the word "Interior" in line 5, the phrase "without reimbursement or transfer of funds."

Congressional time schedules will not permit ascertaining in advance the relationship of this proposed legislation to the program of the President. This report, therefore, does not constitute a commitment respecting the President's program.

Sincerely yours,

J. A. KRUG,
Secretary of the Interior.

WAR ASSETS ADMINISTRATION,
Washington, D. C., January 24, 1949.

Hon. JOHN L. MCCLELLAN,
Chairman, Committee on Expenditures in the Executive Departments,
United States Senate,
Washington, D. C.

DEAR SENATOR MCCLELLAN: Reference is made to your letter of January 18, 1949, requesting the views of this Administration with respect to S. 170, a bill to authorize the transfer of certain property to the Secretary of the Interior, and for other purposes.

The proposed legislation would authorize and direct the War Assets Administrator to transfer to the Secretary of the Interior, for use as a vocational school for Indian children and a center for housing and training adult Indians, the Bushnell General Hospital, near Brigham City, Utah. The hospital covers an area of 298.5 acres, upon which are located 115 buildings, utility lines, and fire-fighting equipment. No personal property is located at the hospital at this time. The total acquisition cost of the property was $9,822,915.99.

The hospital was declared surplus by the War Department on August 21, 1946, after a determination by the Veterans' Administration that it had no interest in the property. Advertising of the property over a 2½-year period has resulted in the sale of some 70 buildings for use off site. No acceptable bids have been received for the remainder of the property.

It is the belief of this Administration that the question of enactment of legislation of this type is one for the determination of the Congress and, accordingly, it has no objection to the enactment of the bill.

Owing to the urgency of your request, this report has not been submitted to the Bureau of the Budget.

Cordially yours,

JESS LARSON, *Administrator.*

Mr. CAPEHART. Mr. President, this is the first appropriation bill to come before this session of the Senate. It is my personal opinion that the total revenues of the Federal Government for the fiscal year ending June 30, 1950, will be much less than we anticipate at the moment. I invite the attention of Senators to the fact that for the fiscal year ending June 30, 1949, it is anticipated that there will be a deficit of between $600,000,000 and $800,000,000. After we appropirate for the fiscal year ending June 30, 1950, possibly we shall have a deficit, the way business looks at the moment, of anywhere from $5,000,000,000 to $10,000,000,000.

I urge that we reduce our expenditures. I again recommend that we arrive at what seems to be a fair estimate of the amount we shall collect in revenues for the fiscal year ending June 30, 1950, and that we appropriate not a single penny above that amount. I can think of no greater catastrophe to the Nation than to continue to operate with a deficit during peacetime. That is particularly true when we face the fact that, during a period when the Nation has enjoyed its greatest prosperity, when the greatest number of people have been employed at the highest wages, when the farmers have enjoyed their greatest income, and business its greatest income, the Government has been unable to balance its budget.

Mr. President, I believe that the responsibility for balancing the budget belongs to the Congress. I do not believe that we are justified in approprating more money than we can reasonably anticipate in revenues. I know that Senators are saying to themselves, "Where are you going to cut? Why do you not recommend some specific place to cut the budget?" I should be perfectly willing—and I think it would be the wisest course the Congress could pursue—to cut the budget not less than $8,000,000,000. We made an effort to cut the ECA authorization. I recommend a cut of $2,500,000,000. But the Senate in its wisdom has seen fit to pass the ECA bill authorizing a total of $5,580,000,000.

So, Mr. President, we must face this issue soon or or later. I am not advocating that we cut out any of these projects; I am not advocating that we refuse to take on some additional projects which are in the best interest of the Nation. I am simply advocating that we cut all appropriations, that we reduce our expenditures in line with the anticipated revenues. Again I ask this question: If we cannot balance the budget under the conditions which have existed during the past 2 years, how are we going to be able to do so when business, industry, farm incomes, and all other incomes level off? Is it not better to appropriate a lesser amount of money for each project, and still maintain all the projects we would like to maintain, rather than to appropriate such great sums of money, exceeding the revenues by substantial amounts, and thus run so far into the red and bring about such a great deficit that the Nation will get into a financial condition which none of us wish to see develop?

So I strongly urge—and I shall continue to do so during the entire session of the Eighty-first Congress—that all appropriations be reduced. I believe that as time goes on we shall find that Government revenues will drop. Let me suggest to the Members of the Senate that they go out into the country and talk to the people there and find out what is going on in the Nation at the moment, ascertain how business is dropping and how unemployment is increasing, how pay rolls are decreasing, and how the pay check of the worker is decreasing in size.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. CAPEHART. I am very happy to yield to the Senator from Michigan.

Mr. FERGUSON. Does the Senator realize that under the Reorganization Act we were to do the very thing he is advocating this evening; and that was to be done for the benefit of the Senate, by the 15th day of February. But by a vote of the Senate a few days before the 15th of February, the time for making of the economic report was extended to the 1st day of May. Does the Senator further realize that, so far as the Senator from Michigan, a member of the Appropriations Committee, is aware, no steps seem to have been taken to comply with that requirement even as of the 1st day of May? Does the Senator from Indiana appreciate that?

Mr. CAPEHART. I appreciate it, and I know what the able Senator from Michigan has stated to be a fact. I appreciate his calling it to my attention, as well as to the attention of the Senate generally.

So, Mr. President, again I urge that we give thought to balancing the budget, to reducing expenditures, and not lose sight of the fact that revenues simply will be less, because prices are falling—they were too high, and now they are falling—and as prices fall, fewer dollars will be handled in America; and as that happens, there will be less revenue for the Federal Government. However, while revenues are decreasing, if we appropriate more money this year—as we are doing—we shall run up a deficit that much greater.

Mr. WATKINS. Mr. President, I inquire what is the parliamentary situation?

The VICE PRESIDENT. The parliamentary situation is that all committee amendments have been disposed of, and the bill is open to amendment.

Mr. WATKINS. I have offered my amendment, but I do not believe action has been taken on it.

The VICE PRESIDENT. Yes; it has been agreed to.

Mr. WATKINS. Very well; I wish the RECORD to show that.

Mr. BRIDGES. Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The VICE PRESIDENT. The amendment will be stated.

The LEGISLATIVE CLERK. On page 12, in line 9, it is proposed to strike out "$2,950,000" and insert in lieu thereof "$450,000."

In line 13, it is proposed to strike out "$24,639,000" and insert in lieu thereof "$22,139,000."

Mr. BRIDGES. Mr. President, let me ask the distinguished senior Senator from Illinois, the majority leader, and the distinguished chairman of the Appropriations Committee, the Senator from Tennessee [Mr. McKELLAR], whether it is proposed to have the Senate finish action on the bill tonight, or whether it is desired to have a recess taken at this time.

Mr. LUCAS. Let me inquire how long my friend the Senator from New Hampshire intends to speak.

Mr. BRIDGES. If we are to begin to consider the item for the New Johnsonville steam plant, I think we should finish it; does not the Senator from Illinois think so?

Mr. LUCAS. I agree with the Senator from New Hampshire. I assume it will take some time to finish that item; I doubt whether we could do so in less than 2 or 3 hours. So perhaps we should take a recess at this time until tomorrow.

Mr. HILL. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield.

Mr. HILL. Can the distinguished Senator from New Hampshire, in cooperation with the Senator from Michigan [Mr. FERGUSON], give us any idea how long it will take to dispose of this item?

Mr. BRIDGES. I think the issues involved in connection with the item for the steam plant are fairly well known. I intend to present a brief statement, and perhaps other Senators will participate in the discussion. The Senator from Michigan [Mr. FERGUSON] may present a statement on another phase of the steam plant item, but I should not think it would take very long for him to do so. I hope we can expedite action on this matter, because I think the issues are fairly well known, and certainly there is no sense in prolonging the discussion.

Mr. HILL. If the Senator will yield further, Mr. President, let me say that, as he has stated, we had prolonged debate over this matter at the last session; in fact we had two votes on it, as I recall. Therefore, it has been fairly well discussed and debated.

I do not know how long the distinguished Senator from New Hampshire may desire to discuss this matter now.

Mr. BRIDGES. I do not desire to talk for more than a few moments; but undoubtedly other Senators will wish to discuss this question, and perhaps the whole issue will take several hours' consideration.

RECESS

Mr. LUCAS. Mr. President, I have advised some Senators that probably the Senate would take a recess at about 6 o'clock today, and no doubt some of them have already gone to their offices or to their homes.

So, in view of that understanding, I shall move that the Senate take a recess until tomorrow.

Before doing so, I should like to ask the distinguished minority leader about the item on the Executive Calendar. The only item on the Executive Calendar is the nomination of Thomas C. Blaisdell, Jr., of the District of Columbia, to be Assistant Secretary of Commerce. Am I correct in my understanding that there is some objection to the nomination?

Mr. WHERRY. Mr. President, if the distinguished majority leader will yield to me, let me say that twice I have asked to have that nomination passed over, and on both occasions the acting majority leader consented. I made that request in behalf of a Senator who wished to look into the credentials of the nominee. That Senator is not on the floor of the Senate at this time.

Under the circumstances, Mr. President, I may state that if the Senator from Illinois will permit the nomination to go over once more, then so far as I am concerned I shall not ask, by request, to have it go over again.

Mr. LUCAS. Mr. President, that is the only nomination on the Executive Calendar, so I shall not move to have the Senate proceed to consider executive business, in view of the explanation which has just been made by the minority leader, the Senator from Nebraska.

Therefore, Mr. President, I now move that the Senate stand in recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 5 o'clock and 40 minutes p. m.) the Senate took a recess until tomorrow, April 12, 1949, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate April 11, 1949:

UNITED STATES ATTORNEY

Joseph Earl Cooper, of Alaska, to be United States attorney for division No. 3, district of Alaska, vice Raymond E. Plummer, resigned.

UNITED STATES MARSHAL

Vernon P. Burns, of Alabama, to be United States marshal for the southern district of Alabama, vice Roulhac Gewin, deceased.

IN THE ARMY

The following-named persons for appointment in the Regular Army of the United States in the grades indicated with dates of rank to be determined by the Secretary of the Army under the provisions of title I, section 107 (b), Public Law 810, Eightieth Congress:

TO BE LIEUTENANT COLONEL

Charles E. Dunham, O16801.
Michael S. Grenata, O3304.
Franklin L. Litchenfels, O16355.
Alden H. Seabury, O7431.
James C. White, O11666.

TO BE FIRST LIEUTENANT

Harry Mazur, O26137.

(NOTE.—Lieutenant Colonel Seabury was given recess appointment on November 24, 1948, and First Lieutenant Mazur was given recess appointment on December 7, 1948.)

The following-named officers for promotion in the Regular Army of the United States, under the provisions of sections 502 and 510 of the Officer Personnel Act of 1947:

TO BE COLONELS

Earl William Aldrup, O15972.
Miles Jason Baze, O41378.
Conrad Lewis Boyle, O15951.
William Joseph Bradley, O15967.
Harold Francis Chrisman, O15961.
Philip Feinberg, O38591.
Emroy Elmer Feind, O28787.
Conrad Gordon Foilansbee, O15973.
Wayne Bailey Gardner, O41366.
Alexander Grendon, O39506.
Valerius Hakanson, O41371.
George Laurence Holsinger, O15989.
Carroll Delmar Hudson, O28785.
George Edward Isaacs, O15959.
John Gardner Ladd, O39509.
Frank Riley Loyd, O16004.
Harold Mills Manderbach, O15984.
Robert Reinhold Martin, O15953.
Murray Eberhart McGowan, O15943.
Edward Charles Miller, Jr., O38590.
Harry William Miller, O16005.
William Merritt Preston Northcross, O28793.
Edward Joseph O'Neill, O15952.
Harry Edward Owens, O28786.
Raymond Dishman Palmer, O15942.
Lewis Ebenezer Perry, O28781.
George Cooper Reinhardt, O15963.
Coleman Romain, O28783.
Abraham Julius Rosenblum, O28788.
John Douglas Salmon, O15937.
John Henry Sampson, Jr., O15974.
August Edward Schanze, O15976.
William Frederick Schweikert, O28778.
Charles Stowe Stodter, O16013.
Esthel Oliver Stroube, O41368.
William Carl Thompson, O41374.
John Vogler Tower, O15956.
Herbert Ryan Tumin, O41367.
Harold Witte Uhrbrock, O15990.
Curtis Leigh Varner, O28779.
Thomas Clagett Wood, Jr., O15946.
Clyde George Young, O28790.

hearts today. May we so grow in grace that the sympathy we feel for friends may also be felt for strangers."

"O Lord, our God, have pity on us, who have so little pity in our hearts.

"We give, but not in kindness.

"We give because the sound of crying disturbs us and we want to be free to look after the things that concern ourselves.

"We want peace without pain and security without sacrifice.

"We had to accept the responsibilities of war, but we do not want to accept the responsibilities of peace.

"O Lord, be patient with us.

"Give us yet more time to learn what love is, how love should act, and how love can change us as individuals and as a nation.

"We pray in the name of Him who loves us all. Amen."

"Our Father in heaven, today we pray for Thy gift of contentment, that we may not waste our time desiring more, but learn to use and enjoy what we have.

"We may not know everything, but we may know Thee and Thy will. We need not be rich to be generous, nor have all wisdom to be understanding. Our influence may not be great, but it can be good. Our speech may not be eloquent, but it can be truthful and sincere. We cannot all have good looks, but we can have good conscience, and having that, we shall have a good peace of mind and need fear no man.

"May we be kind to one another, tender hearted, forgiving one another even as Thou, for Christ's sake, hast forgiven us. Amen."

These examples are not cited in order to suggest comparisons between particular prayers and chaplains, much less between different branches of religious faith. The case of the late Reverend Marshall serves rather to highlight the general question of prayer as such, and its place in political or legislative assemblies. It has been argued that the custom of beginning such meetings with an invocation is a meaningless tradition, a hold-over from a time when public officials were more "religion-conscious." Along with the motto, "In God we trust" on the face of a coin, the official prayer is cited as something having chiefly historical interest. It has been made the subject of numerous jests, as in the well-known story of William Allen White, attending a political convention as a reporter, who was asked to give the invocation in the place of an absent clergyman and who declined, saying, "I don't want God to know that I'm here." And of course everyone is familiar with the ancient, oft-quoted saying that the Chaplain looks at Congress and then prays for the country.

This "gridiron" levity in the treatment of the subject is characteristic of American political humor. Equally characteristic, however, is a sober meaning beneath the surface. The great majority of elected officials take their responsibilities seriously, and evidently most of them consider it appropriate that their deliberations should begin in an atmosphere of reverence. At a time when these responsibilities are more fateful than ever before, it would seem logical to expect a deepening of the fundamental religious spirit that has always been closely identified with American patriotism. The prayers of the late Chaplain Peter Marshall have contributed much toward this end.

FIRST DEFICIENCY APPROPRIATIONS, 1949

The Senate resumed the consideration of the bill (H. R. 2632) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1949, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from New Hampshire [Mr. BRIDGES].

Mr. BRIDGES. Mr. President, yesterday in the concluding moments of the Senate session I offered an amendment, on page 12 of the bill, in lines 9 and 13, to strike out an item of $2,500,000 in the Tennessee Valley Authority for the New Johnsonville steam plant.

Mr. President, the United States Senate should not consider lightly or casually the item in this deficiency appropriation bill appropriating funds for the construction of a steam plant at New Johnsonville, Tenn.

This item is one of the most important ever to come before this body. If anything, that is an understatement. The suggested appropriation covers an issue vital to our whole economic system. It involves the establishment of a policy which will be far reaching in its effects upon the private enterprise system.

Mr. President, this is not the first time those who favor a steam plant at New Johnsonville, Tenn., under Government cost and control have sought consideration here. The proposal was before us last year. It was turned down. It was turned down, not because of partisan considerations, but because there was a firm recognition of the proposal as an opening wedge in a further effort to nationalize or socialize the utility industry.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield.

Mr. AIKEN. I should like to remind the Senator that the proposal was approved by the Senate at least twice.

Mr. BRIDGES. That is correct.

Mr. AIKEN. It was turned down in the House, which has since approved it, this year.

Mr. BRIDGES. That is correct; but it was turned down by the Congress.

Mr. AIKEN. I point out that it was twice approved by the Senate.

Mr. BRIDGES. The Senator from Vermont is correct; but it was turned down by the Congress.

Mr. AIKEN. That is a correct statement. It was turned down by the Congress.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield.

Mr. McKELLAR. It was approved by the Senate twice, as the distinguished Senator from Vermont says, once by a vote of 45 to 37. I have the two votes before me.

Mr. BRIDGES. If the Congress of the United States appropriates funds for the construction of this steam plant it will be financing directly a commercial operation in time of peace. Stripped of all the varied descriptions, the steam-plant project boils down to Federal Government operation and control in the field of private enterprise. No amount of talk can camouflage that fact; and, Mr. President, no amount of talk can dispel the certainty that if the Congress allows the Federal Government to operate in this particular phase of private industry the way will be wide open for Government activity in every other phase of our private-industry system. I fail to understand how Senators, thinking clearly on this issue, can justify their support of the steam-plant appropriation.

I am aware that there are sectional interests involved in this issue. Yet I believe that this is a matter in the consideration of which sectional interests should be laid aside. If the Federal Government is allowed to enter in full force the private-industry system which is the strength of America's economy, the day will come when no section of our country will escape injury, and when all sections will regret that they did not place their particular interests aside.

Mr. President, we are not talking about the development of hydroelectric projects which are of such wide scope that there is a valid reason for the Federal Government stepping in. We are talking about taking the taxpayers' money and building a steam plant to generate power in order to supplement the hydro developments in that section. We are entering a new field. From the standpoint of benefits which it would bring to the particular section, almost as valid an argument could be made for building a steam plant at Government expense in practically any other section of the country.

When we talk about $2,500,000, it seems like a small amount; but, as in the case of most of such projects, the amount of the initial appropriation is small compared with the total cost. The total cost of the New Johnsonville steam plant will be approximately $54,000,000. So we are just whetting the appetite in this first appropriation. We are getting ready to expend on the plant probably more than $54,000,000. The cost is estimated at $54,000,000, but it will probably run higher than that.

Mr. CAIN. Mr. President, will the Senator yield?

Mr. BRIDGES. Certainly.

Mr. CAIN. Will the Senator explain what appears to him to be the fundamental difference between the right of the Federal Government to engage in steam plant operations and the right of the Federal Government to undertake hydroelectric programs and developments?

Mr. BRIDGES. I told the distinguished Senator from Washington that I am not a great constitutional lawyer or anything of the kind; I am just a humble man from New Hampshire, who has none of the fame as a constitutional authority that some of the great legal lights of the Senate have. But to me there seems to be a difference between using Federal funds to develop a great natural resource of the country, such as hydro power, which is too vast an undertaking for private enterprise to develop, and which, if the Federal Government failed to act, would result in the water flowing to the sea and going to waste, and the building of a steam plant for the production of power. It seems

to me there is a great difference between the two.

Mr. AIKEN. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from New Hampshire yield to the Senator from Vermont?

Mr. BRIDGES. Certainly.

Mr. AIKEN. I should like to ask a question. Does not the RECORD show that the Senator from New Hampshire is also opposed to the development of public power from hydro plants?

Mr. BRIDGES. I think there are areas in the United States where the development of hydro power involves such a tremendous cost that perhaps the public good could best be served by having the Federal Government step into the picture. Although I have fought many of the features of TVA, I have also supported it, insofar as the Appropriations Committee is concerned, with adequate appropriations to continue it.

Mr. AIKEN. Would the Senator from New Hampshire say that the public good could best be served by public investment in the development of power anywhere in the Northeastern States, where the power rates are higher than anywhere else in the United States?

Mr. BRIDGES. Conceivably it could be, but I would like to see better evidence developed on the point than has been presented to date on the feasibility.

Mr. AIKEN. Would the Senator give an example—and I should like particularly to have him give an example somewhere in the Northeastern States—where public funds could be spent so that all the people would get the full benefit from them?

Mr. BRIDGES. I do not know that I could give any specific examples to the Senator from Vermont.

Mr. AIKEN. I do not ask for many; I ask for one.

Mr. BRIDGES. Let me say a word on the general proposition. If the Federal Government is going to step in and undertake the development, I would want the control to be established at least in a cooperative manner between the Federal Government and the States, and I would want the power developed to be distributed through existing agencies, and the public to benefit, in turn, as a result of such participation.

Mr. AIKEN. Then, the Senator would require, would he not, the power to be delivered to existing agencies at the bus bar?

Mr. BRIDGES. Yes. If there is existing a private utility system, then I think its facilities should not be duplicated by providing another selling and distributing system.

Mr. AIKEN. Is the Senator from New Hampshire aware that for the year 1947 the users of electricity in New York and New England paid $428,000,000 more for the power they used than they would have paid at TVA rates, although the distributing companies paid $151,000,000 in taxes, which left the people of New England and New York paying approximately $275,000,000 more for power than they would have paid at TVA rates? Under such circumstances, does the Senator from New Hampshire feel that if the expenditure of public funds could reduce that rate to a figure comparable to that paid by the rest of the United States, the use of such funds would be justified?

Mr. BRIDGES. Let me say that the Senator from Vermont has told only half the story.

Mr. AIKEN. I will tell the other half, of course, at any time.

Mr. BRIDGES. Last year TVA had a gross revenue of $48,000,000. In the same year, in lieu of taxes, TVA paid what it called tax equivalents of $2,000,000, or 4 percent. The average rate in taxes paid by a private utility will run somewhere between 20 percent and 23 percent, or 500 or 600 percent more in taxes than TVA pays.

Mr. AIKEN. Will the Senator agree that the TVA paid, in lieu of taxes, a much larger sum than the private utilities in that area paid before the TVA existed?

Mr. BRIDGES. No; I am not making any such statement.

Mr. AIKEN. Then, I suggest that the Senator from New Hampshire ascertain the facts, and he will find that the statement is true.

Mr. BRIDGES. I think the Senator from Vermont could be misinformed. I do not know that his figures on the northeast are completely accurate.

Mr. CAIN. Mr. President, will the Senator yield for a question?

The PRESIDING OFFICER (Mr. KEFAUVER in the chair). Does the Senator from New Hampshire yield to the Senator from Washington?

Mr. BRIDGES. Certainly.

Mr. CAIN. Does the Senator know whether the Federal Government has thus far restricted its generation of power to multiple-purpose operations? I am trying to get at the first proposal, namely, the proposal to have the Federal Government generate power through a steam plant.

Mr. BRIDGES. The Senator from Tennessee [Mr. MCKELLAR] is a little more familiar with that than am I.

In the original Muscle Shoals development there were one or more steam plants, were there not?

Mr. MCKELLAR. There were several. Besides that, later on, by an agreement made by the TVA with the Alabama Power Co., which was a very large private power corporation in the State of Alabama, the TVA purchased transmission lines and a number of steam plants, which are now the property of TVA. That is the situation, I may say to the Senator from Washington.

Mr. BRIDGES. So the answer to the Senator from Washington is that in the original development at Muscle Shoals there were steam facilities; and also when the TVA purchased some of the utility properties in that section, included in them were some steam plants.

Mr. HILL. Mr. President, will the Senator yield?

Mr. BRIDGES. Certainly.

Mr. HILL. In 1940 we built the great Watts Bar steam plant.

Mr. MCKELLAR. Yes; that is true. Here is the testimony of Mr. Clapp, who is at present the head of TVA:

> We have five major steam plants and several smaller ones—the small plants have a total capacity of about 26,000 kilowatts. Altogether, our steam plants, the one we built, the Wilson Dam steam plant that the Government built during the First World War, and the ones we bought, now total 450,000 kilowatts—considerably in excess of the capacity of the presently requested units for the New Johnsonville steam plant.

Mr. LANGER. Mr. President, will the Senator yield for a question?

Mr. BRIDGES. I yield.

Mr. LANGER. In my State we have 600,000,000,000 tons of coal, sufficient to light the whole world.

During all this time the private interests have not used the coal in the development of power, so that the farm families in the vicinity could get the benefit of REA. In a situation of that kind does not the Senator believe that a steam plant should be provided by the Government if it is interested in the welfare of its people?

Mr. BRIDGES. Of course, from the sectional point of view, that may be argued, but from the over-all point of view, I should hate to see such a general program inaugurated. I can see a justification for the development of great natural resources involving hydroelectric power from water which is now going to waste where the full evidence justifies such an undertaking. From the sectional point of view I can see how the Senator can argue his case. But I would not want to agree to it.

Mr. LANGER. Would the Senator agree that, with all the latent power that exists in certain places that power should be used, and that even the private interests should develop it for use in the enormous areas of the West where hundreds of thousands of farm families have neither light nor power in their homes?

Mr. BRIDGES. Very frankly, I should hate to see the Government of the United States enter such a broad field. In any event, in proposals of that kind a study of all the facts would have to precede the decision.

Mr. LANGER. Mr. President, will the Senator yield for a further question?

Mr. BRIDGES. I yield.

Mr. LANGER. Under REA, the Government loans the money and it is required to be paid back. The record at the present time shows that there is only one cooperative in default. As a matter of fact, $17,000,000 was paid back before it was due. In view of that record, does not the Senator believe the Government ought to enter upon the development of such natural resources?

Mr. BRIDGES. Such a conclusion should not necessarily follow.

Mr. MCKELLAR. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield.

Mr. MCKELLAR. I shall place in the RECORD a little later, figures showing the extent of TVA's net earnings. I shall not attempt to be accurate about it; I never was accurate about figures in my life. Figures I have, obtained by the department, show the TVA has actually earned about 8 percent per annum. Does the Senator not think that it is a fine record for an organization of this kind to show as good earnings as that, without having charged the users of electric current a large rate?

Mr. BRIDGES. I am interested, I may say to the Senator from Tennessee.

He knows that while we think alike on many things, there is on this particular matter an honest difference of opinion between us regarding the basic premise.

Mr. McKELLAR. I can understand that. The Senator has always been perfectly frank and open.

Mr. BRIDGES. In that connection, I recall the statement made by the Senator from Vermont a few moments ago, in which he gave figures of the amount of taxes paid and the difference in the showing in the Northeast. Of course, in the Northeast I want to see power furnished as cheaply as possible. But I do not want to see a great Federal empire built up in that section. I want the people of our section to have something to say about anything that is to be done.

Mr. AIKEN. Then, am I correct in saying that the Senator from New Hampshire would not, as I think he has said, oppose development of power with public funds, if the power were to be made available exclusively to the existing distribution companies at the bus bar?

Mr. BRIDGES. What I am saying is that if we are to have public power development that power should be distributed by existing facilities.

Mr. AIKEN. But does not the Senator agree that where there is only one existing line to the site of a development, it would be impossible for the REA or municipal plants to secure the power from the Federal Government or from the State at reasonable rates?

Mr. BRIDGES. It does not follow that there would be such an impossibility. I do not think the Senator and I are far apart on this particular question, and I may say that if there is a development in a given section, the regulatory bodies should see that there is a lowering of rates whenever possible.

Mr. AIKEN. I am in hope, by means of this questioning, to get the Senator to say he will favor development of the St. Lawrence seaway and power project. I should like to inform the Senator that I have received a communication from the president of one of the largest distributing companies in our area, advising me that if we would agree to deliver the power from that project exclusively to private distributing companies, they would not only withdraw their opposition to the development but would get behind it and help push it, even though it were to be constructed with public funds. I hope that may change, somewhat, the Senator's mind.

In assisting the Senator to arrive at a correct conclusion in this matter, I should like also to point out to him that if the power were turned over to a private company at the bus bar, there would probably be about a $20,000,000 saving made available to the people of New York and New England. But if it were sold at a rate which would yield a fair return on the public investment, then, undoubtedly, the saving would amount to possibly $100,000,000 or $200,000,000, for the simple reason that it would result in a general lowering of rates throughout the area.

Mr. BRIDGES. I merely want the Senator to understand one thing about the St. Lawrence seaway.

Mr. AIKEN. It is a good thing.

Mr. BRIDGES. The Senator comes from a neighboring State in New England. If the St. Lawrence seaway were to be constructed in the manner proposed, there would be no guaranty that either the Senator's State or my State or any of the other New England States would be protected There are any number of sets of figures on what the St. Lawrence project would accomplish. The accuracy of all of them is challenged. If there could be written into the St. Lawrence seaway law a provision that the six New England States would get a substantial proportion of the power, I might feel very differently about it.

Mr. AIKEN. Let me ask the Senator, if the St. Lawrence seaway were so developed that the entire output of power were made available to the Niagara-Hudson Power Co., which has the only line in that area, I believe, and if New England were to be guaranteed a proportionate share of the power developed on the St. Lawrence, does the Senator think that would be an improvement?

Mr. BRIDGES. That is in the field of speculation. I do not think so.

Mr. AIKEN. Does the Senator believe that if the power were distributed solely by the Federal Government, New England would be assured of a greater share of the power?

Mr. BRIDGES. No. I think the only way to assure the six New England States along that line would be to write it into the law. I see the Senator from New York [Mr. IVES] looking at me. He is out for the New York interests, naturally. I am endeavoring to look out for the interests of at least a part of the New England States.

Mr. AIKEN. In constructing the St. Lawrence seaway, I do not agree that anyone would be looking after the interests of any particular State. But I realize the Senator from New York is interested in the people of his State obtaining power. The Senator from New Hampshire understands, does he not, that the Federal Power Commission has no right to construct the plant with Federal funds and turn it over to the exclusive use of any one particular community?

Mr. BRIDGES. That is correct. But the difference between the Senator from Vermont and myself probably is that he may have complete faith in what a Federal bureaucrat will do. I do not have such faith.

Mr. AIKEN. The Senator understands, does he not, that I have fully as much faith in the Federal bureaucrats as I have in some of the Power Trust officials. We must trust one or the other.

Mr. BRIDGES. No; I do not agree. We may safely trust State regulatory bodies and we may safely trust the Congress of the United States. The point is that if we have a firm provision of law any distrust can be removed.

Mr. AIKEN. I am unable to agree with the Senator on that, I am sorry to say.

Mr. BRIDGES. I have faith in them. But it is possible to write into the bill a provision relative to percentage of distribution of power. That is the only sure way I can see of completely protecting the rights of consumers.

Mr. HILL and Mr. LANGER addressed the Chair.

The PRESIDING OFFICER. Does the Senator from New Hampshire yield; and if so, to whom?

Mr. BRIDGES. I yield first to the Senator from Alabama.

Mr. HILL. The Senator was speaking of private power companies and rates. I merely want to call attention to the fact that, as we know, private power companies do not amortize capital investments in dams and steam plants. So far as I know, such capital investments continue forever. The bonds are not retired. They are not redeemed when the term is out. The bonds are refunded or new bonds issued. Under the law passed several years ago by Congress, TVA is required to amortize the entire cost of power projects.

Mr. AIKEN. Mr. President, will the Senator from New Hampshire yield for one more question?

Mr. BRIDGES. I yield.

Mr. AIKEN. Apropos of what the Senator from Alabama has just said, will the Senator from New Hampshire point out a single private utility that today is amortizing its investments?

Mr. BRIDGES. I am not familiar with what many of the private utility companies are doing. But I may say to the Senator from Alabama that we would not have to spend a great deal of money on TVA at this time if the money received by TVA had actually gone back into the Treasury of the United States.

Mr. HILL. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield.

Mr. HILL. The reason there has not been much money going back into the Treasury from the TVA has been that TVA has been using its revenues to build other dams to generate power used for the winning of the war, when we produced so much of the aluminum that went into airplanes and many other war products. Instead of turning the money back into the Treasury, Congress permitted the TVA to use the money for expansion, for the construction of other dams and other works, which has made the property of the Government of more value. The money is there in capital investment,. I will say to my friend the Senator from New Hampshire.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. BRIDGES. I shall yield when I reply to the Senator from Alabama.

The Senator from Alabama makes a very eloquent plea for his cause, but I want to say to him that, as one Senator and one citizen, I shall be very interested when some of the cold cash from TVA actually goes into the Treasury of the United States and remains there. Very little of it has arrived there up to this time.

Mr. HILL. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield.

Mr. HILL. Of course, the Senator does not deny the statement I made, that much of the cash which might have gone into the Treasury went into new construction, for the development of new power and for new generating facilities.

Mr. BRIDGES. Oh, not at all. But the more the Government goes into these fields the weaker our economic structure will become.

I now yield to the Senator from North Dakota.

Mr. LANGER. Mr. President, in response to a question from the distinguished Senator from Vermont, the Senator from New Hampshire stated that he did not want a large bureaucracy.

Mr. BRIDGES. That is correct.

Mr. LANGER. He did not want the Government loaning money to a group of cooperatives to develop power. There would not be any bureaucracy involved; there would not be any State regulatory department; there would be only the persons who would borrow the money. What possible objection could the distinguished Senator have to that?

Mr. BRIDGES. I recognize the point the Senator is trying to make, and I admire him for his stand, from his point of view. But, no matter how he twists it, the Senator will not get me to stand on the floor of the Senate and say I favor the Federal Government's building commercial steam plants under complete Government control at taxpayers' expense and in competition with private enterprise.

Mr. LANGER. Mr. President, will the Senator yield further?

Mr. BRIDGES. Certainly.

Mr. LANGER. That is the very last thing I would try to get the Senator to say. I want to ask him if he does not believe the Government should loan to cooperatives under the REA law sufficient money so that not only can REA build lines, but also build steam plants to develop power, in view of the fact that the cooperatives have paid back $17,000,000 more than is due from them at this time.

Mr. HICKENLOOPER. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield.

Mr. HICKENLOOPER. Under the present law, REA can build plants, I will say in answer to the Senator's question.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield.

Mr. LANGER. The Senator does not believe the Government should loan the money. The law provides for it, but the money cannot be obtained on certain occasions.

Mr. BRIDGES. Mr. President, I have supported REA appropriations. I perhaps have not been so liberal as is the Senator from North Dakota, but I supported items that I could see of sound advantage to the country through REA. I think it has accomplished a great deal.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield.

Mr. AIKEN. I want to remind the Senator that the Eightieth Congress, when the Senator from New Hampshire was chairman of the Appropriations Committee, was the most liberal with REA than was any former Congress. I do not want the Senator from New Hampshire saying that he has not been so liberal as some other Senator, because the Eightieth Congress made available almost as much money as was made available in all the years REA had been in existence up to that time. I rise to defend the Senator from New Hampshire.

Mr. BRIDGES. I thank the Senator from Vermont. I recognize that his statement is true. The Senator from North Dakota [Mr. LANGER] suggested something which was more liberal than I could support.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield.

Mr. LANGER. The Senator's committee gave $100,000,000 more for REA than was requested by the President of the United States. The committee not only gave $100,000,000 more, but authorized the construction of steam plants for REA purposes in the Northwest.

Mr. BRIDGES. That is correct.

Mr. LANGER. In other words, the Senator did a magnificent job, and I think he has simply forgotten the fine job he did in connection with the steam plants for REA.

Mr. BRIDGES. Mr. President, I appreciate all the compliments which are being passed my way, but, nevertheless, coming back to the particular project involved, with its particular involvements, I have attempted to say that there is a difference between the Federal Government's developing hydroelectric plants on a large scale, when they are beyond the scope of a private utility, for the benefit of the people of the country, provided it is done on a sound basis, and the development of a steam plant such as is the New Johnsonville steam plant.

Let us get back to REA for a moment. I appreciate what the Senator from North Dakota and the Senator from Vermont have said about me. I have supported REA appropriations, and I think the last Congress did a good job.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield.

Mr. LANGER. All I asked for was a billion dollars, and the committee granted $100,000,000.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield to the Senator from Tennessee.

Mr. McKELLAR. I want to join the other Senators in what they have had to say regarding the action of the Senator from New Hampshire in reference to REA while he was chairman of the Appropriations Committee. I think the Senator was exceedingly considerate and that he did a good job.

Mr. BRIDGES. I thank the Senator from Tennessee. If we have all agreed on that, perhaps we can get together on the New Johnsonville steam plant.

Mr. McKELLAR. I hope we can.

Mr. BRIDGES. The issue is very clear. It has been discussed pro and con in the Senate in previous years. I do not think there is any object in holding a lengthy debate on the subject. The item is a small one, $2,500,000, but it ultimately means $54,000,000, in all, for the development of the plant. I do not believe a case has been made for the New Johnsonville steam plant. I hope the Senate will amend the bill, and reject that item. I can understand the concern of the Senators from the TVA section of the country and their desire to build up this additional supplementary power. But they are asking for a specific appropriation for a specific steam plant in competition in the commercial field, in peacetime, which is greatly different from that which we have done to date.

It has been done under the REA to a minor extent. There was a steam plant in the old Muscle Shoals development. It was bought at the time when Mr. Willkie headed the Commonwealth & Southern properties. At the approach of a great war we put money into a steam plant. But this is peacetime. Times are reasonably normal—at least, I thought so until I heard of increased unemployment all over the country, which has been growing by leaps and bounds, caused by the continuance in power of the present administration. So that times are perhaps not quite normal. But are considering, in reasonably normal times, the entry of the Federal Government into a new field.

The PRESIDING OFFICER (Mr. ANDERSON in the chair). The hour of 1 o'clock having arrived, the Senate, under the previous order, will stand in recess until 2 o'clock.

Thereupon, at 1 o'clock p. m., under the order previously entered, the Senate took a recess until 2 o'clock p. m.

At 2 o'clock p. m., the recess having expired, the Senate reassembled, and was called to order by the Presiding Officer (Mr. ANDERSON in the chair).

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had passed, without amendment, the bill (S. 851) to promote the settlement and development of the Territory of Alaska by facilitating the construction of necessary housing therein, and for other purposes.

The message also announced that the House insisted upon its amendment to the joint resolution (S. J. Res. 42) granting the consent and approval of Congress to an interstate compact relating to the better utilization of the fisheries (marine, shell, and anadromous) of the Gulf Coast and creating the Gulf States Marine Fisheries Commission, disagreed to by the Senate; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. BLAND, Mr. THOMPSON, Mr. WICKERSHAM, Mr. WEICHEL, and Mr. TOLLEFSON were appointed managers on the part of the House at the conference.

FIRST DEFICIENCY APPROPRIATIONS, 1949

The Senate resumed the consideration of the bill (H. R. 2632) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1949, and for other purposes.

The PRESIDING OFFICER. The Senator from New Hampshire has the floor.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield.

Mr. WHERRY. I ask the distinguished Senator from New Hampshire if he will yield for a quorum call, with the understanding that he will not lose any rights he has to the floor.

Mr. BRIDGES. I yield for that purpose.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request? The Chair hears none.

Mr. WHERRY. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Humphrey	Myers
Anderson	Ives	Neely
Bricker	Johnson, Tex.	O'Conor
Bridges	Kefauver	O'Mahoney
Butler	Kem	Pepper
Cain	Kerr	Reed
Capehart	Kilgore	Robertson
Chapman	Knowland	Saltonstall
Chavez	Langer	Schoeppel
Connally	Lucas	Smith, Maine
Donnell	McCarthy	Sparkman
Downey	McClellan	Taft
Ecton	McFarland	Taylor
Ellender	McGrath	Thomas, Utah
Ferguson	McKellar	Thye
Flanders	Magnuson	Tydings
Frear	Malone	Vandenberg
Fulbright	Martin	Watkins
Green	Maybank	Wherry
Hendrickson	Miller	Williams
Hill	Millikin	Withers
Hoey	Mundt	Young
Holland	Murray	

Mr. MYERS. I announce that the Senator from Virginia [Mr. BYRD], and the Senator from Mississippi [Mr. EASTLAND] are absent because of illness in their families.

The Senator from Illinois [Mr. DOUGLAS], the Senators from Georgia [Mr. GEORGE and Mr. RUSSELL], the Senator from Iowa [Mr. GILLETTE], the Senator from Arizona [Mr. HAYDEN], the Senator from Wyoming [Mr. HUNT], the Senator from Colorado [Mr. JOHNSON], the Senator from South Carolina [Mr. JOHNSTON], the Senator from Louisiana [Mr. LONG], the Senator from Mississippi [Mr. STENNIS], and the Senator from Oklahoma [Mr. THOMAS] are unavoidably detained.

The Senator from North Carolina [Mr. GRAHAM] is absent because of illness.

The Senator from Nevada [Mr. MCCARRAN] is absent by leave of the Senate on official business.

The Senator from Connecticut [Mr. MCMAHON], and the Senator from New York [Mr. WAGNER] are necessarily absent.

Mr. SALTONSTALL. I announce that the Senator from Connecticut [Mr. BALDWIN] is absent by leave of the Senate.

The Senator from New Jersey [Mr. SMITH] is absent because of illness.

The Senator from Oregon [Mr. MORSE] is necessarily absent.

The Senator from Maine [Mr. BREWSTER], the Senator from Oregon [Mr. CORDON], the Senator from South Dakota [Mr. GURNEY], the Senator from Iowa [Mr. HICKENLOOPER], the Senator from Indiana [Mr. JENNER], the Senator from Massachusetts [Mr. LODGE], the Senator from New Hampshire [Mr. TOBEY], and the Senator from Wisconsin [Mr. WILEY] are detained on official business.

The PRESIDING OFFICER (Mr. O'CONOR in the chair). A quorum is present.

Mr. LUCAS. Mr. President——

Mr. BRIDGES. I have the floor.

The PRESIDING OFFICER. The Senator from New Hampshire has the floor.

Mr. LUCAS. Will the Senator yield?

The PRESIDING OFFICER. It will be understood that if the Senator from New Hampshire yields, he will have the privilege of the floor after the Senator from Illinois is recognized.

Mr. BRIDGES. I yield.

VISIT OF THE PRESIDENT OF THE UNITED STATES AND ADDRESS BY HIM

Mr. LUCAS. Mr. President, no greater honor can come to the United States Senate than to have an old friend and a former colleague here with us again. I refer, of course, to our great President of the United States, Hon. Harry S. Truman.

[Great applause, Senators rising.]

The PRESIDING OFFICER. It is, of course, a distinct privilege to welcome the President of the United States, to indicate the very close relationship existing between the legislative and the executive branches of the Government, and to ask the President whether he will honor us by a few words on this occasion.

The PRESIDENT. Mr. President, Mr. Majority Leader, Mr. Minority Leader, and Members of this distinguished legislative body, the legislative body to which I have been closest in my life: I appreciate most highly your kindness and cordiality to me today. I was asked to come to the Capitol for lunch with the Senate. I had lunch with the whole Senate, and it was a good lunch. I had a chance to meet and talk to nearly every Member of the Senate, a privilege which I very highly appreciate.

The reason for this invitation was the fact that in 1945 I was presiding over the Senate as Vice President of the United States. On April 12, 1945, the Senate adjourned at 5 o'clock, and I had an engagement to see the Speaker of the House on a matter which was pending in both Houses, in which the administration was interested.

When I got to the Speaker's office I did not have a chance to talk to him, but was instructed to return a call from the White House, which I did. I was informed by Mr. Stephen Early, who at that time was the President's secretary, that he would like to see me at the White House, at the main entrance, as soon as I could get there. I had not much of an idea of what I would be faced with when I arrived. I was informed by Mrs. Roosevelt that the President had passed away. I immediately asked her if there was anything I could do for the family, and she very kindly and courteously told me that there was nothing at that time, that it was not herself and her family who needed help, but that it was the former Vice President who needed help.

The Chief Justice was summoned, and at 8½ to 9 minutes after 7 o'clock on the evening of April 12, 1945, I was sworn in as President of the United States.

I want it very clearly understood that on my part there is no celebration on this day. It is a day of sadness for me, because we lost on this day 4 years ago Franklin D. Roosevelt, in my opinion one of the greatest Presidents this country has ever had, and it became necessary for me to assume a tremendous burden on that evening. I have tried my level best to carry that burden, in the interests of all the people of the country, and I hope that when the history of the period is written it will be said that the effort was not in vain.

I thank the Senate most sincerely for their courtesies to me, for the pleasant luncheon which I have had, and I hope that this will not be the last time I may have the privilege of meeting with you. Thank you very much.

[Great applause, Senators rising.]

FIRST DEFICIENCY APPROPRIATIONS, 1949

The Senate resumed the consideration of the bill (H. R. 2632) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1949, and for other purposes.

Mr. BRIDGES. Mr. President, I am very happy the Senate has had a pleasant interlude during the consideration of the pending bill, and that the President of the United States has honored us by his presence. I had hoped that after the President had visited with some of his old colleagues on the other side of the aisle he might have come over to this side of the aisle, as is the custom of the President when attending the Army-Navy football game. If he sits on the Navy's side of the field during the first half of the game he always goes over to the Army side of the field in the second half of the game, and vice versa. Certainly no greater controversy exists between Senators on this side of the aisle and Senators on the other side of the aisle than exists between the Army and the Navy. So the President would have been welcomed and might have felt fully at home had he made a trip over to the Republican side of the aisle, but I assume he was here with us in spirit at least.

Mr. President, almost everywhere in the world American resources are being poured forth to stop the trend of strong paternal government. We have seen the injury inflicted upon governments and peoples who have been induced to accept a little government operation of private industry, only to awaken to the fact that private industry was gone. We know that the theory of Federal Government competition with private enterprise is not sound. We have seen it fail in other areas of the world, and we know the evils to which it leads. We are familiar with the truth that when such Federal Government competition with private industry comes, it does not end until Government monopoly is established.

Mr. President, I hope Senators will bear in mind that there is far more involved in the question now before us than an appropriation of $2,500,000, or even the $54,000,000 which this project will ultimately cost. Although the amount involved compared with other

requests, is not high, we should always be thinking in terms of lower Government spending. The requests for appropriations which are being made today are simply staggering. The real question is whether in time of peace the United States and the United States Congress are going to strike a blow against the socialization of industry or go further in directing the socialization or nationalization of our American economic system. We must not try to dodge the issue. That is the real issue, no matter how much we may camouflage it or try to dress it up.

Mr. KEFAUVER. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from New Hampshire yield to the Senator from Tennessee?

Mr. BRIDGES. I yield.

Mr. KEFAUVER. In connection with the opposition we now find to the construction of the steam plant I should like to ask the Senator from New Hampshire if he is aware of the fact that at one time some of those in opposition to the steam plant on the ground of socialism, or what not, because hydroelectric plants were being built, nevertheless urged that in order to carry on its program TVA should build steam plants. I have in mind that in the House of Representatives about 3 years ago former Representative Dirksen and quite a number of persons representing the private power lobby, as well as Members of the House who were opposed to the TVA, stated that it would be perfectly all right to have an expansion if it were done by building a steam plant, and that there would not be anything socialistic, or what not, if that were done.

Yet now when the TVA undertakes to build a steam plant to firm up and make sounder an investment the government already has, the private power lobby and some of those who are opposed to the TVA, have switched their positions and now say that it is all right to carry on with hydroelectric plants, but that the TVA should not build steam plants.

I simply wanted to ask the Senator if he was aware of that record before the Appropriations Committee of the House of Representatives, and of the amendment offered by former Representative Dirksen on the floor of the House of Representatives.

Mr. BRIDGES. No; I am not familiar with that record, I may say.

Mr. KEFAUVER. If the Senator will yield again, I will say for the RECORD that what I have just referred to will be found in the CONGRESSIONAL RECORD, volume 86, part 9 of the Seventy-sixth Congress, third session, page 9726 and the following. There the argument was strongly made that to proceed on the basis of constructing steam plants and not hydroelectric plants would be in line with our American traditions and not socialistic.

Mr. FERGUSON. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from New Hampshire yield to the Senator from Michigan?

Mr. BRIDGES. I yield.

Mr. FERGUSON. Along the same line, I wonder if the Senator from New Hampshire is familiar with what Dr. Harold J. Laski said at Howard University just a few days ago. Mr. Laski is a British Labor Party leader and professor of political science at the University of London. He has told us what the Tennessee Valley Authority already means to America. "This great experiment of the TVA," he told his audience at Howard University, is only one proof that public ownership and the regulation of private enterprise have advanced farther in this country "than most Americans are normally inclined to imagine." He added, "A new epoch in American history began in 1933. The old era of unfettered competition will not return unless the institutions of political democracy are overthrown by some catastrophic development."

Is the Senator familiar with that language? I ask that question in line with what the Senator from Tennessee [Mr. KEFAUVER] has just said.

Mr. BRIDGES. I am not; and I am delighted to have the Senator call it to my attention.

Mr. KEFAUVER. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield.

Mr. KEFAUVER. I wonder if the Senator is also familiar with the statement made a few days ago by a very conservative newspaper, the New York Times, which wholeheartedly approves the appropriation for this steam plant. The editorial concludes with this very significant statement:

> This expenditure would simply be good business. We hope the Senate will be wise enough to approve this item, as the House has done.

Certainly the New York Times would not be following any precept of Mr. Laski's.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield.

Mr. FERGUSON. I am sure the Senator from New Hampshire would be inclined to take the word of Dr. Laski on the question of socialization. He has probably had as much experience and direct contact with it as anyone else. He even guided it, to a greater extent than the New York Times would claim to have done.

Mr. BRIDGES. The Senator is referring to probably one of the greatest authorities in the world on socialization. I certainly would have to take his word ahead of that of the New York Times. He has been mixed up in practically every crackpot scheme that has come along. That is not to say that the TVA is a crackpot scheme. I was referring to Dr. Laski, in the reference which the Senator from Michigan made.

Mr. President, let us consider the testimony before the Appropriations Committee. There was testimony in favor of this installation. There was very comprehensive and cogent testimony against it. Such testimony came from all sorts of people—from private citizens, from civic organizations, from divisions of State governments, and from representatives of the power companies. The opposition represented a cross-section of various people and interests. Probably some of the opposition was very sound, and perhaps some of it not so sound. However, by and large, there was a feeling of opposition against the idea of the Federal Government using the funds of taxpayers from all the States of the Union to build steam plants in a particular area which would be in competition with industries in other sections.

Mr. FLANDERS. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield.

Mr. FLANDERS. The Senator from New Hampshire is a member of the Appropriations Committee. I understand from what he has just said that this item was thoroughly discussed in the Appropriations Committee during the hearings. What puzzles me—and I should like to ask the Senator from New Hampshire the reason for it—is that there is no reference to it in the report.

Mr. BRIDGES. I cannot answer that question because I did not write the report. I shall have to refer to the chairman of the committee, the able Senator from Tennessee [Mr. MCKELLAR]. Perhaps the Senator from Tennessee, in his very able manner, was attempting to put this project through without arousing too much antagonism.

Mr. MCKELLAR. Oh, no.

The PRESIDING OFFICER. Does the Senator from New Hampshire yield to the Senator from Tennessee?

Mr. BRIDGES. I yield. I am sure the able Senator from Tennessee can explain it.

Mr. MCKELLAR. Mr. President, there was no committee amendment on this subject. The item came from the House and was agreed to by the committee overwhelmingly, as the Senator from New Hampshire, no doubt, recalls. The same item was approved last year.

I think the two principal witnesses heard were Mr. Smith, of Washington, representing the power companies at a trifling salary of $65,000 a year, so he testified; and the other was a great constitutional lawyer from Cleveland, Ohio. When he was asked what salary he received, he stated that he did not receive a salary, but intended to charge a fee. He spoke largely about the constitutional question.

As I recall, the testimony was overwhelmingly that the Tennessee Valley Authority was seeking money to build a steam plant at New Johnsonville in order to enable it better to sell the power produced by the Government. As the operation is now carried on, it is selling the product of the Government, at a profit to the United States. The TVA is in fine condition. It already owns a number of steam plants. It bought a number of steam plants from the Alabama Power Co., and several have been built without objection heretofore on the part of either the Senate or the House.

I do not understand the remarakable objections which are now being raised to the New Johnsonville steam plant. I do not know whether there is something in the name "New Johnsonville" or not.

As I understand, this is the ninth steam plant to be built. Several have been bought from the Alabama Power Co. The purchase of those plants was upheld by the Supreme Court of the United States.

There is no doubt that the principal evidence offered at the hearing by the opponents was on the constitutional question, and not on the facts. Everyone seems to be agreed as to the facts.

Mr. FLANDERS. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield.

Mr. FLANDERS. It seems to me that possibly the esteemed Senator from Tennessee has made a good technical case for not referring to this item in the report. Frankly, it is a matter which is known to be controversial. It is a matter with respect to which I do not see such overwhelmingly clear light on one side or the other that I could come to the floor of the Senate committed to one view or the other. It seems to me that in a case of this kind the report should have substantiated the request for the appropriation. I regret that it did not.

Mr. THYE. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield.

Mr. THYE. I should like to ask the Senator from New Hampshire a question. Is there an inadequate supply of electricity in the vicinity of Muscle Shoals for the present demands of industry?

Mr. BRIDGES. That is a debatable point. I think the proponents of the steam plant advance the argument that in order to get the full benefit of TVA's hydro development they must have the steam plant in order to create firm power.

Mr. THYE. Mr. President, will the Senator further yield?

Mr. BRIDGES. I yield.

Mr. THYE. As I understand, during certain seasons of the year there is an ample flow of water to operate the power-generating facilities within that area. In fact, at certain seasons of the year water goes to waste. At such times there is not sufficient generating capacity to utilize all the supply of water power. At other seasons of the year the water supply is low. As I understand, it is desired to firm up the power by a stand-by steam plant when the water supply is low at certain seasons of the year.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield.

Mr. FERGUSON. I think I can answer that question by referring to the report of the House hearings on page 27, where Mr. Clapp, the manager, uses this language:

> Now, I cannot say, as a matter of fact, that if this steam plant is not put into the TVA system these transmission lines and these distribution systems will not be any good; but they will not be able to perform the function for which they were built. That function is to keep carrying whatever increased electric current is required to provide the services which the municipalities and the cooperatives have agreed to give in their area, and which we, in turn, for the Government, have agreed to give, and arrange with them, the municipalities and cooperatives.

In other words, this steam plant is not to firm up the power, but is to be built in 2 or 3 years so as to provide for an increase in the electricity requirements on the part of the municipalities and cooperatives in that district. In short, it is for future business, rather than for firming up present business; is that not correct?

Mr. KEFAUVER. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield.

Mr. KEFAUVER. I ask the Senator whether the testimony does not show that in 1951–52 there will be an estimated shortage of 274,000 kilowatts? That is shown on page 14 of the House hearings and also at page 197 of the Senate hearings.

The testimony further is that the proposed plant, to be built and placed in operation over a period of 3 years, will deliver 3,000,000,000 kilowatt-hours of prime electricity, available through the TVA system.

I ask the Senator further if the testimony at the hearings does not conclusively show that there is now a shortage of prime electricity in the Tennessee Valley, and a threatened greater shortage for years to come, and also that the proposed plant cannot be built overnight, but that we must look to the time in 1951 when it can be placed in operation? Does not the testimony further disclose that there will be a shortage of 274,000 kilowatts at that time?

Mr. THYE. Mr. President, will the Senator yield for a question?

Mr. BRIDGES. I yield.

Mr. THYE. The question might be directed to the Senator from Tennessee if the Senator from New Hampshire will permit. The Senator from Tennessee says there will be a shortage of electricity in 1951–52. What type of industries are now waiting for the proposed development, or is it a question of what the junior chambers of commerce in those areas think they wil be able to develop in the way of new industries, provided it can be shown that there will be sufficient electricity to warrant establishing new industries there?

Mr. KEFAUVER. I may say to the Senator that the greatest percentage increase has been in rural electrification. Over the period of the last 5 years the amount of electricity used on the farms has been multiplied by five. The normal peacetime growth of the Tennessee Valley area is fully discussed in the hearings. As a matter of fact, there is a shortage of electricity now.

Mr. THYE. Mr. President, will the Senator from New Hampshire yield in order that I may ask another question?

Mr. BRIDGES. Certainly, I yield.

Mr. THYE. My question is not only with reference to what the Senator says the present needs are of the REA, but also whether there now exist associations which are not able to obtain electrical current from the TVA because not sufficient electricity is being generated there.

Mr. KEFAUVER. I am informed that the TVA is having to scan the new contracts for electricity very closely in order to be sure that it does not take on an immediate peak load which it will be unable to meet.

Mr. THYE. Mr. President, will the Senator from New Hampshire yield for one more question?

Mr. BRIDGES. I yield.

Mr. THYE. When we were at Muscle Shoals in the fall of 1947, an additional hydroelectric unit was being installed there. Can the Senator tell me how many additional units they intend to install in the future? Of course, each one of the dams has a series of hydroelectric generating units. I wonder how many more it is intended to install.

Mr. KEFAUVER. This appropriation carries $450,000 for two generators. I think one is to be installed at the Fort Loudon Dam, or perhaps both are to be installed at the Wautauga Dam in east Tennessee.

Mr. THYE. After all the hydroelectric generating units the dams can accommodate have been installed, how many months of the year does the Senator anticipate the water supply will be adequate to operate those generators?

Mr. KEFAUVER. The testimony shows that during an average year they need the proposed stand-by plant for 3 months of the year in order to bring the firm power up by 3,000,000,000 kilowatts, which would enable the TVA to take care of its contractual commitments.

Mr. THYE. In other words, there will be an ample supply of water 9 months of the year to operate all the installed hydroelectric units at full capacity; is that correct?

Mr. KEFAUVER. The answer is given, I think, more clearly than I could give it on page 197 of the hearings, in this paragraph:

> The New Johnsonville steam plant, by firming up additional portions of the power available from the hydro plants of the TVA system, will make possible an increase in firm power of about 3,000,000,000 kilowatt-hours a year. To do this, it will be necessary to operate the New Johnsonville plant about one-third of the time, generally at full load, in addition to the present use of the existing TVA steam plants, to supplement the seasonal secondary hydro generation.

I may say further that the deficiency existing in 1951 is expected to be 274,000 kilowatts, unless the proposed plant is built.

The operation of this plant normally will be for the purpose of making available 350,000 kilowatts, but under the construction program one unit will not come into operation until about the latter port of 1952. So they will be just barely above their demands for firm power, but they will be able to take care of their estimated need if this plant is constructed.

Mr. THYE. In the event the funds are not made available, so that this steam plant is not provided, then hydroelectric generating equipment sufficient to utilize the maximum estimated generating capacity of the water supply could not profitably be installed, because there would be a season of the year when there would be an inadequate supply of water, although at that time of course

the demand for electricity would be just as great as it would be at the time of the maximum of the water supply. So what the Senator is trying to do with the steam plant is to fit it into the hydroelectric units, so that when the water supply is ample the steam plant will stand idle; but when the water supply tapers off to a low level, the steam plant will be brought into operation, to supplement the electricity generated by means of the water supply. Is that the intention?

Mr. KEFAUVER. Exactly; the Senator has certainly expressed it very clearly.

As matters now stand, the Tennessee Valley Authority is losing 3,000,000,000 kilowatts for 3 months of the year.

Mr. THYE. The Senator says there is ample demand for the maximum load of both the water power and the steam power if and when the steam power is made available; is that correct?

Mr. KEFAUVER. That is true.

Mr. THYE. In other words, there is ample demand now, without searching for and encouraging the development of new industries, to furnish a load sufficient to use the maximum of the electricity capable of development if and when the steam plant is constructed; is that correct?

Mr. KEFAUVER. The record shows that fully, I think.

Mr. THYE. Does the Senator mean there is a need for the electrical current now?

Mr. KEFAUVER. Yes; and with the normal development of the area, the need will be what I have stated, namely, in 1951 the need will exceed by 274,000 kilowatts the available supply, unless the proposed steam plant is constructed.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield.

Mr. FERGUSON. Mr. President, I think the question of the able Senator from Minnesota is answered from the record in language just the opposite to what the Senator from Tennessee has indicated. I again refer to page 27 of the House hearings:

> The function is to keep carrying whatever increased electric current is required to provide the service which the municipalities and the cooperatives have agreed to give in their areas, and which we, in turn, for the Government, have agreed to give, and arranged with them, the municipalities, and cooperatives.

In other words, there is in mind the idea that we do know the business is going to increase, that the municipalities and cooperatives are going to get more business in the future, but it is the purpose of the steam plant to generate enough electricity as to be able to supply this prospective increased demand in connection with business activities. There are undoubtedly other rivers and other places where dams could be built, according to the Constitution and according to statute. Instead of building dams and using water power from such dams, there are those who at this particular time want to install a power plant at a cost of $54,000,000, a plant which will be large enough to furnish firm power to a city of over a million people, and yet it is talked about as if it were only a firming-up project.

Mr. THYE. Mr. President, will the Senator yield for another question?

Mr. BRIDGES. I yield.

Mr. THYE. My only reason for making inquiries about the matter is simply that in the event there is a water supply that will generate electricity for 9 months of the year, with a tremendous electrical output, because the dams must be emptied of the impounded water in order to prepare for the next flood period. While the water is being emptied, it must be run through the dam gates, in order to lower the level of impounded water, to prepare to receive the next flood water. If that water must be run off and not used in the generation of electricity, in order to decrease the amount of impounded water, water power will be wasted because of the inability, so to speak, to use all the electricity, since the load cannot be assumed. At the low-water season the water would be insufficient to generate the electricity contracted for at a time when the water was at the maximum level in the spring of the year.

That is the thought that comes to me in attempting to arrive at what is the wisest thing to do, whether to provide for a steam plant or to refuse to provide for it. If the steam plant could firm up and make the entire unit more efficient and more profitable as a Government enterprise, then we would be justified in entering into it, but in the event we are merely adding electrical output to encourage an expansion of industries because it is possible to give them an assurance of a low electrical rate, then I would say we are making possible the development of the enterprise only by an encouragement of low electrical costs.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield.

Mr. McKELLAR. If I may do so in the time of the Senator from New Hampshire, I should like to say to the Senator from Minnesota that his first statement of the case is perfect; it could not be improved upon, in my judgment. As we all know, there is a period in the summer and fall of the year when the water power is very low; indeed, at times, almost nonexistent. That is the time we must have steam power, in order to provide a convenient flow of power to those who use it, including cooperatives, municipalities, people generally, and Government agencies. In that neighborhood, of course, the Atomic Energy Commission and the various other agencies are located.

Mr. FERGUSON. Do they use TVA power?

Mr. McKELLAR. Certainly, they use TVA power. Everyone in that whole area does. They have entered into an agreement. The agreement was attacked by the private power companies, just as the steam plant is now being attacked by the power companies. The case went to the Supreme Court, and is known as the Ashwander case. In that case the Supreme Court upheld the constitutionality of TVA. It upheld the purchase of the plants. The Supreme Court, speaking by Mr. Justice Hughes, one of the most distinguished Justices the Supreme Court ever had, rendered an opinion upholding the constitutionality of the Tennessee Valley Authority Act. It had a right, the Court said, to dispose of the power to the best interests of the Government, and for that reason it affirmed and confirmed the right of the TVA to sell power in that manner, which was the ordinary thing in business, and which would bring the greatest return to the United States Government. Under that ruling of the Court, the enterprise has been a great success.

I want to say again to the Senator from Minnesota that I do not believe his first statement about it could be improved upon by anyone. I know I could not state it as well as he has. It is a perfect statement of the case, that in order to utilize all the hydroelectric powers, we are obliged to have steam plants, in order to provide an even flow of electricity to those who buy power.

Mr. HILL. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield to the Senator from Alabama.

Mr. HILL. What the Senator from Tennessee says is absolutely correct. The first statement by the Senator from Minnesota is 100 percent right. The purpose of building the steam plant is to avoid the waste of water, so that the Government properties may be operated with the least possible waste and on the soundest and most economical and businesslike basis.

The Government seeks to build the steam plant just as the private power companies in the Southeast have built and are today building steam plants. The precipitation of rain varies in such degree that there is an uneven flow of the rivers. Without an even flow of the rivers, the only way by which a great wastage of water and water power can be avoided is by the utilization of steam. I may say to the Senator from Minnesota, the Alabama Power Co. has just finished building a large steam plant in Mobile, Ala., in order to firm up the power on the Coosa and Tallapoosa Rivers. The company is now building at Gadsden, Ala., another steam plant for the same purpose.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield to the Senator from Michigan.

Mr. FERGUSON. Yesterday, the able Senator from Tennessee spoke about the Ashwander case, and again today he has referred to that case. It is not often that I disagree with the legal reasoning or opinion of the able Senator from Tennessee, but in this particular case I must disagree with him because the record in the case, the opinion of the court, and the record itself, are quite the opposite of what the able Senator from Tennessee has stated.

I am sure that is so because he has neglected to read the record of the particular case. I want to read from the record in the case what John Lord O'Brian said, what Justice Reed—who was then the Solicitor General—said, and

what Justice Hughes said, as to what was involved in the case.

Mr. McKELLAR. Mr. President, John Lord O'Brian was not a member of the Court and did not render an opinion. Mr. Reed was a member of the Court, but, as I recall, he filed a dissenting opinion——

Mr. FERGUSON. Oh, no.

Mr. McKELLAR. Mr. Reed was at that time not a member of the Court; he was the Solicitor General. It was Mr. Charles Evans Hughes, one of the most distinguished jurists who ever sat on the bench of that Court, who represented the majority and delivered the opinion. If my memory is bad regarding the matter, I can read from the book.

Mr. FERGUSON. I do not dispute the Senator's memory.

Mr. McKELLAR. Oh, yes; the Senator did dispute it. If the Senator will yield——

Mr. BRIDGES. I have yielded to the Senator from Michigan.

Mr. FERGUSON. I shall be glad to yield to the Senator from Tennessee.

Mr. McKELLAR. Mr. President, I read as follows:

The transmission lines which the Authority undertakes to purchase from the power company lead from the Wilson Dam to a large area within about 50 miles of the dam. These lines provide the means of distributing the electric energy, generated at the dam, to a large population. They furnish a method of reaching a market. The alternative method is to sell the surplus energy at the dam, and the market there appears to be limited to one purchaser, the Alabama Power Co. and its affiliated interests. We know of no constitutional ground upon which the Federal Government can be denied the right to seek a wider market.

Mr. President, I am reading from the opinion of the Court, and that is what counts when it comes to determining what the Court said. I am not reading what may have been said in the case by Mr. O'Brian, who was a lawyer for the Government in the case, or by the other lawyers. I am reading from the opinion of the Court itself.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield.

Mr. FERGUSON. Mr. President, I also want to read from the opinion of the Court. I have the same kind of a book here. We shall not disagree on what the Court said. But, Mr. President, the way to tell what is involved in a case is to read further to see what the attorneys are contending for in the case. John Lord O'Brian represented TVA. Mr. Reed, then Solicitor General and now a justice of the Supreme Court of the United States, was one of the counsel for the Government. Here is a colloquy between Justice McReynolds and John Lord O'Brian. The reason I refer to it is because Justice Hughes, in deciding the case——

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield.

Mr. McKELLAR. Did not Mr. Justice McReynolds dissent? Is it not true that he did not agree with the Court, but wrote a dissenting opinion in the case? What he and Mr. O'Brian may have expressed as being their views is of no consequence in connection with this question.

Mr. FERGUSON. I want to give to the Senate what the counsel for the TVA stated when he was appearing in the case. Anyone who is familiar with proceedings in a court knows that counsel lay down what they expect the Court to decide, and their admissions are considered against interest. It is true that Mr. Justice McReynolds was a dissenter in the case, but Justice Hughes in the majority opinion recognized what was said by John Lord O'Brian and what was said by Solicitor General Reed at that time.

Mr. Justice McReynolds asked this question:

Is there a steam plant in connection with this project?

Mr. O'BRIAN. Yes, your honor. That was mentioned earlier. There is a large steam plant which was built at Muscle Shoals before the dam was built.

Mr. Justice McREYNOLDS. For what purpose?

Mr. O'BRIAN. For the purpose of equipping the war munitions plant immediately, as quickly as possible, with power.

Digressing for a moment, there is no contention on the floor of the Senate that the United States Government cannot build a steam plant for the purpose of national defense, to manufacture munitions with which to win a war. That is not disputed. That is the reason why the steam plant was built at Muscle Shoals, as indicated in the record.

I now go back to the record:

Mr. Justice McREYNOLDS. Is that used to generate electricity?

Mr. O'BRIAN. No, sir; it has never been used. It stands idle. Much is made in my opponents' briefs of the danger of the Government's selling power from the steam plant. That steam plant is not in this case. It has never been used. It has been maintained. It has been leased to the Alabama Power Co., which has used it as a stand-by facility with which to meet break-downs in its service. There is nothing in this record to show that the Authority ever intends to use it for the purpose of generating power for sale, and I disavow any such intention at this time.

Those are the words of the counsel who is arguing the case before the Supreme Court.

I again go back to the record:

Mr. Justice BUTLER. I know; but you assert the power, do you not?

He is questioning Mr. O'Brian.

Mr. O'BRIAN. No; I do not.

Mr. Justice BUTLER. Do you say that, to aid in disposing of the electricity incidentally produced from this navigation dam, the Congress has no power under the Constitution to build stand-by plants to supply their customers, to keep the current going?

Listen to what Mr. O'Brian said:

Mr. O'BRIAN. If you mean breakdown facilities, yes, it could. It would have to. Any regulated system would have that.

Mr. Justice BUTLER. And then to meet great demands upon the peak?

Listen to this answer on the part of Mr. O'Brian:

Mr. O'BRIAN. No; I do not think that can be done in this case.

Mr. Reed, who was then Solicitor General, said this:

From the bench and at the bar this controversy has come down to a question of this kind, if we assume that this act was primarily for navigation, then it would be valid. If we determine that this act, while stating that it is for the navigation, national deefnse, and flood control, is actually for the purpose of developing power and selling it commercially, the act would be invalid.

Those are the words of the Solicitor General of the United States in that case.

I shall now read from the opinion of the Court. The first line I shall read is very significant:

We limit our decision to the case before us, as we have defined it. The argument is earnestly presented that the Government, by virtue of its ownership of the dam and power plant, could not establish a steel mill and make and sell steel products, or a factory to manufacture clothing or shoes for the public, and thus attempt to make its ownership of energy, generated at its dam, a means of carrying on competitive commercial enterprises, and thus drawing to the Federal Government the conduct and management of business having no relation to the purposes for which the Federal Government was established. The picture is eloquently drawn, but we deem it to be irrelevant to the issue here. The Government is not using the water power at the Wilson Dam to establish any industry or business.

It is not using the energy generated at the dam to manufacture commodities of any sort for the public. The Government is disposing of the energy itself which simply is the mechanical energy, incidental to falling water at the dam, converted into the electric energy which is susceptible of transmission. the question here is simply as to the acquisition of the transmission lines as a facility for the disposal of that energy. And the Government rightly conceded at the bar, in substance, that it was without constitutional authority to acquire or dispose of such energy except as it comes into being in the operation of works constructed in the exercise of some power delegated to the United States. As we have said, these transmission lines lead directly from the dam, which has been lawfully constructed, and the question of the constitutional right of the Government to acquire or operate local or urban distribution systems is not involved. We express no opinion as to the validity of such an effort, as to the status of any other dam or power development in the Tennessee Valley, whether connected with or apart from the Wilson Dam, or as to the validity of the Tennessee Valley Authority Act or of the claims made in the pronouncements and program of the Authority apart from the questions we have discussed in relation to the particular provisions of the contract of January 4, 1934, affecting the Alabama Power Company.

The decree of the Circuit Court of Appeals is affirmed.

In other words, the Court did not pass on the constitutionality of the act. That is clear from the language of Chief Justice Hughes, which I repeat:

And the Government rightly conceded at the bar, in substance, that it was without constitutional authority to acquire or dispose of such energy except as it comes into being in the operation of works constructed in the exercise of some power delegated to the United States.

That is, energy created by flood-control or navigation works comes clearly under the commerce clause, and the Government would have the power to use that energy or power.

Mr. THYE. Mr. President, will the Senator yield for a question?

Mr. BRIDGES. Mr. President, I have the floor, but I shall be glad to yield to the Senator from Minnesota in order that he may ask a question of the Senator from Michigan.

Mr. THYE. I thank the senior Senator from New Hampshire. I should like to address a question to the junior Senator from Michigan. The whole purpose of the TVA project was, first, flood control, was it not?

Mr. FERGUSON. Flood control and navigation.

Mr. THYE. Flood control.

Mr. FERGUSON. And navigation.

Mr. THYE. Navigation is secondary. Flood control was the primary purpose. The purpose was to check the devastating floods which affected other areas in the United States. If the river were left to go its own course it would devastate other areas. So flood control was the project first established. Once the water had been impounded, there immediately was potential power, which could become effective the minute the water dropped over the dam.

Then in order to harness the water power, hydroelectric units were established. The water power was harnessed. In the course of a season there are high-water levels and there are low-water levels in the ponds in which the water is impounded, so in order to have a reservoir in which to impound water in seasons of flood or high-water levels it is necessary to draw down the water. When all that has been accomplished there has been developed a potential generating unit which is capable of generating so many hundred thousand or so many million kilowatts in a given season of the year.

With all this potential impounding capacity and potential generating capacity, when in the low-water season of the year, the impounded water has shrunk and there is not sufficient water, yet the TVA does not dare to impound water any longer because the ponds would then be unable to receive the water in the flood season of the year. So for about 3 months of the year the generating capacity of all this installation is low. Industries cannot be hooked up to consume more electrical current than is generated at the minimum of its generating capacity. Industries cannot be hooked up to the maximum generating capacity because then there would not be ample electricity during the low-generating season or generating period.

The steam plant is being discussed, as I see it, to take care of that one period in the year when there is not sufficient electrical power being generated at the dams or by reason of the so-called impounding of water. If I am wrong in my understanding of the project, I want to have it cleared up, because I do not want to vote for something that is unnecessary; but I do want to vote favorably upon projects that is necessary. If the firming by steam makes the whole Federal project more profitable, more efficient, and will furnish for 12 months of the year a steady flow of current upon which industries can depend, and upon which war plants can depend, if we should ever again be compelled to reestablish war plants of great magnitude, I would not hesitate at all to vote for the measure. But that is what I must have made clear in my mind.

Mr. FERGUSON. Mr. President, I shall try to clear up that point for the RECORD. First, I will say that neither the able Senator from Minnesota nor anyone else is able to change the Constitution. This may become a question of the Government trying to make a profit. The Government might upon the same theory the Senator has referred to says, "Now that we have electric power there is no reason why we should not manufacture automobiles. There is no reason why we should not manufacture locomotives. If we use our own energy in the manufacture of automobiles, or in the manufacture of locomotives, we will be able to sell such automobiles or locomotives at a better price than if we could only sell the energy produced at a dam."

If that could be done, then America could be socialized. If that could be done, the Government of the United States could go into every business, from the operation of a grocery store to the manufacturing of locomotives, without changing the Constitution of the United States of America one iota. Then all that would be necessary would be somewhere in America to harness the power at a dam, and then it could be said, "Because we have that little bit of power we must firm it up, we must use it to the best advantage so we can make a profit." Under that theory it would not be necessary to alter or amend the Constitution of the United States in order to enable the Government to change the whole economic and the whole political system. I shall now try to answer the question about firming up.

Mr. THYE. Mr. President, will the Senator yield for one more question?

Mr. BRIDGES. I yield to the Senator from Minnesota to ask a question of the Senator from Michigan.

Mr. THYE. We, that is the Government, must not lose sight of the fact, however, that the Government impounded the water for the purposes of stopping the ravages and devastations resulting from floods. That was the first purpose of TVA installation of dams. Then, of course, from there on the Government harnessed the potential power of the water in the Tennessee Valley. The Government did all that. The Government stepped into that particular activity for the purpose of conservation, by way of stopping floods. So the Government was not making an attempt to establish business, or to go into business. The Government went into the situation for the purpose of adopting a safety measure to prevent floods, and, of course, the impounding of water is necessary to stop floods. That makes possible the generation of power from the drop or fall of the water over the dam.

Mr. FERGUSON. We are talking about constitutional power, constitutional authority. There is no doubt that under the commerce clause the United States Government can erect dams for flood control and navigation, and when it erects a dam, the mechanical power from the falling of the water can be generated into electrial power, and the United States Government can, under the commerce clause of the United States Constitution, sell the power so generated. There can be no doubt about that.

But that is not what is being done now. It is said, "Since we create this power from the dam, we can then go a step further." Remember, from 1933 down to date they have been generating power in the particular area by the falling of the water. There is no shortage at the present time. There is no evidence showing that they are unable to keep their plants going. No one seems to think that any of the industries in the Tennessee Valley should erect their own power plants and use coal. No one seems to think anything about that.

I say, Mr. President, that this is the first step, and that is what we are talking about. Why do I say this is the first step? Along the line, not here in the Senate, but in the administrative offices, there will be those who will say, "You in Congress took this step back in 1949, and now we can take the next step toward socialization."

Mr. President, in the Interior Department budget for reclamation for this year, in the Central Valley project, those in charge are asking that they may take this same step under reclamation, to build a $36,000,000 steam plant at Antioch, Calif.

Mr. MAGNUSON. Mr. President, will the Senator yield at that point?

Mr. BRIDGES. I have the floor.

Mr. MAGNUSON. I wished to ask the able Senator from Michigan if he thought the situation he just described might fall in the same category as a situation in Washington. As the Senator knows, we have the Grand Coulee project in the State of Washington.

Mr. FERGUSON. Yes.

Mr. MAGNUSON. In part that project is for the development of power, which is sold from the lines of the Bonneville project; but it is also to aid in reclamation. The Government is installing huge water pumps, which are operated by the excess electricity in a great project known as the Columbia Basin project. But Columbia Basin is operated by subdivisions of Government known as irrigation districts.

Suppose we should ask for a stand-by steam plant to operate those pumps, at a time when the water might not be available, or the electricity might not be available, not to sell the electricity, but to pump the water which would be controlled by the irrigation district for the benefit of the people of the area. Would the Senator consider that to be prohibited under his interpretation of the Constitution?

Mr. FERGUSON. If it comprehended the use of the power by the Federal Government under one of its constitutional powers, as reclamation is, because most of that land was Government land, and they used the power to pump water on it so that the land could be settled, that would be constitutional, and I think proper.

Mr. MAGNUSON. In other words, the Senator thinks the situation is a little different from the one in California, does he?

Mr. FERGUSON. Yes. I am talking about the first step in socialization which I see today, and which later can be extended to cover an attempt to socialize the industries in America, because it will be contended that the Government can function more efficiently than can private industry.

Mr. SPARKMAN. Mr. President, will the Senator from New Hampshire yield?

Mr. BRIDGES. I yield to the Senator from Alabama.

Mr. SPARKMAN. Before we get too far away from the quotation the able Senator from Michigan gave from John Lord O'Brian, a member of the legal staff, and leading counsel in the case in the Supreme Court, I should like to quote something from the legal staff of the private-utilities side. Listen to this from Mr. Raymond P. Jackson—I think that is his name—of Cleveland, Ohio, whose name was signed to the petition, or complaint, of the private utilities.

Mr. McKELLAR. And he was a witness.

Mr. SPARKMAN. He was a witness in this case this year, as he was last year, and as he will be next year, and on and on. He is attorney for the private utilities, and comes to the committee each time in the company of Mr. Purcell L. Smith.

Mr. KEFAUVER. Mr. President, will the Senator yield?

Mr. SPARKMAN. No; let me continue. I wish to quote this witness.

Mr. HILL. Mr. President, will the Senator yield?

Mr. BRIDGES. I have the floor. I have yielded to the junior Senator from Alabama.

Mr. HILL. Will my colleague yield to me to identify Mr. Jackson a little further?

Mr. BRIDGES. I yield.

Mr. SPARKMAN. It is all right if I do not lose my place.

Mr. HILL. Mr. Jackson was the attorney in the case of Tennessee Electric Co. against TVA, in the Ashwander case, in the case of the Alabama Power Co. against Ickes, and on the question testing the constitutionality of the Norris Dam, which went to the Sixth Circuit Court of Appeals. He has been the attorney for the power companies in all the cases, and he has lost them all.

Mr. FERGUSON. Mr. President, on this point will the Senator from New Hampshire yield?

Mr. BRIDGES. I yield.

Mr. FERGUSON. I should like further to identify Mr. Jackson. Mr. Jackson was a partner of Newton D. Baker, Democratic Secretary of War under President Woodrow Wilson, and he is considered one of the outstanding legal and constitutional authorities in the United States of America. I assume that for the brief he has filed in the Senate he will receive a large fee. But I wish also to say that Mr. Clapp, appeared as an expert on Government time and testified. So we had special pleaders from both sides before the Committee on Appropriations. I assume that the Government witnesses were paid tax money, and I am assuming that the other men were paid larger fees from private interests who do want to see America take the first big step in socialization.

Mr. SPARKMAN. Now that Mr. Jackson has been thoroughly identified, I should like to say that, according to his own statement, he was appearing in behalf of the electric power companies of the United States. Since the matter of pay has been brought into the debate, I believe Mr. Clapp receives $10,000 a year of taxpayers' money, and Mr. Purcell L. Smith receives $65,000, plus expenses, paid out of the pockets of the electric power consumers in the United States. Of course, Mr. Jackson would probably receive a similar fee. I do not know what his pay is. I wish to accept a part of what the Senator from Michigan has said, namely, that Mr. Jackson is an outstanding constitutional authority, and I wish to quote him for that reason. Listen to this:

> Under the Tennessee Valley Authority Act, as amended, the number and capacity of steam—
>
> Remember the word "steam"—
>
> Under the Tennessee Valley Authority Act, as amended, the number and capacity of steam and hydroelectric plants for the generation of electricity which the defendants may construct and operate in the Tennesee Basin are wholly undefined. Said act, as amended, purposes to vest complete and uncontrolled discretion in the defendants in relation to such matters.

Mr. FERGUSON. On what page is that?

Mr. SPARKMAN. That is from last year's hearings, page 222.

Mr. BRIDGES. Mr. President, to proceed with my remarks, the senior Senator from Minnesota [Mr. THYE] raised some questions relative to the necessity of the steam plant, and whether it had to do with firming up power. The Senator from South Dakota [Mr. GURNEY] looked into this matter, and on page 215 of the hearings, where the Senator from South Dakota was addressing Mr. Clapp, we find this:

> Senator GURNEY. Then, on your steam plants, there is a record of what portion of the percentage of the time they have operated, and we can have those listed also.
>
> Mr. CLAPP. We can best do that, if I may say so, on the basis of their past history.
>
> Senator GURNEY. That is right.

There follows a record of the existing steam plants and the percentage of time they have been used in the past 3 years. Hales Bar was used 42 percent of the time; Nashville, 7 percent of the time; Parksville, 4 percent of the time; Watts Bar 62 percent of the time; Wilson, 30 percent of the time; and the smaller plants, 20 percent of the time.

As the distinguished Senator from Minnesota can see, the existing steam plants in each and every case have been used only a small percentage of the time.

Mr. KNOWLAND. Mr. President, will the Senator yield for a question?

Mr. BRIDGES. I yield.

Mr. KNOWLAND. In the normal operation of a steam plant which is used for stand-by services, would it not be used for perhaps not more than 20 or 30 percent of the time? As I understand, in nontechnical language, the idea of the stand-by steam plant is to firm up the power, so that there will be no hills and valleys caused by water shortages and other factors. So it would not be expected that a steam plant would be used to 100 percent of capacity, as I understand the situation.

Mr. THYE. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield.

Mr. THYE. Does the Senator from New Hampshire have information as to what amount of water must actually be let over the dams or through the gates in order to draw down the impounded water so as to form a reservoir to meet flood conditions? The amount of water deliberately let through the gates in order to get rid of it could well be harnessed and made to generate power if there were an outlet or consumer for the electric power which might be generated.

Mr. BRIDGES. I have not that information at hand, but I refer to page 214 of the hearings, referring to the hydro plants. On that page there is a table showing the names of the hydro plants. The first column of figures shows the installed capacity December 1948; the second column of figures the expected average generation capacity; and the third column of figures the stream flow nonusable with present capacity. That is probably what the Senator is getting at.

Mr. THYE. I presume that would be the answer. I did not attend the hearings, and therefore I have not the information which is available to members of the committee who had the benefit of the testimony.

Mr. BRIDGES. The table shows that the figures vary from 5 percent, which I think is the lowest figure for stream flow nonusable with present capacity, up to 45 percent, with the average probably in the twenties.

Mr. KEFAUVER. Twenty-five percent.

Mr. BRIDGES. Twenty-five percent.

Mr. THYE. That is the reason why I asked the question, recognizing the fact that on the average, at all the installed dams, that amount of water is actually permitted to go by without serving any purpose. If the dams were operating at full capacity, naturally there would be periods in the year when there would not be an adequate flow of water to generate sufficient electricity to carry the safe maximum load which the installation could supply. That is the question which arises in my mind in connection with a steam plant. Is it wise to install it to firm up the entire unit of flood control, for which it was originally constructed?

Mr. BRIDGES. Mr. President, I wish to consider two or three other angles inasmuch as certain Senators have emphasized by the opposition from the private utilities. Opposition came also from many others. I should like to quote a few words from Hon. Charles R. Erdman, Commissioner, Department of Conservation and Economic Development of the State of New Jersey, one of whose representatives, Mr. Hendrickson, is now in the Chamber. Mr. Erdman said:

> New Jersey enterprise today is striving energetically to maintain conditions which in wartime gave the State fifth place in the Union as a producer of war matériel, and in

peacetime has been responsible for the continued existence of approximately 36,000 companies employing more than 1,700,000 workers.

With other segments of New Jersey life sharing the load this vast machinery of enterprise has made it possible for our State's taxpayers to contribute to the Federal Government more than $1,270,000,000 in Federal taxes annually. This represents at least $3 paid in Federal taxes for every $1 New Jersey affords for local and State tax purposes.

Representing taxpayers, the objection is made to the use of tax funds to provide one particular section of the country with an unfair economic advantage which is entirely aside from navigation and flood control.

Appropriations to the Tennessee Valley Authority for the purpose of increasing its power-generating capacity must be paid out of public revenue, contributed by the people of all 48 States, in return for which the money will be used to provide, through subsidized power rates, a new inducement to industries to move into the TVA area. This imposes a burden on New Jersey and other States in the free and orderly development of our respective areas.

That is typical of the views of representatives of the States. Let us take a statement from Kansas. The following is from the statement of Mr. C. C. Kilker, secretary-manager, Kansas State Chamber of Commerce:

Mr. KILKER. Mr. Chairman and gentlemen, my name is C. C. Kilker, and I represent the Kansas State Chamber of Commerce, of which I am secretary-manager. The Kansas State Chamber of Commerce, which has its headquarters in Topeka, Kans., is a voluntary organization composed of approximately 2,000 business and professional men of Kansas.

* * * * *

It is the understanding of the Kansas State Chamber of Commerce that this steam power plant would be another Federal enterprise which would be practically free of taxes but which would engage in direct competition with privately owned and privately operated business. These privately owned and operated companies pay out in taxes approximately 20 cents of every dollar they take in. On the other hand, a TVA steam power plant would pay no Federal taxes and practically no State or local taxes. This situation is made even more ironic by the fact that it would be built entirely from funds supplied by American taxpayers, including those privately owned companies with which it would compete.

Through the hearings we find opposition from the utilities, but also from many other people, representing their respective States; from industrial concerns, from chambers of commerce, and from members of State governments. In order that the RECORD may be entirely straight, let me quote a statement from another group. We hear a great deal said about labor. We find the CIO joining in opposition to the New Johnsonville steam plant. I read a letter from the CIO Utility Workers of America, Local No. 175, Dayton, Ohio:

DEAR MEMBER OF CONGRESS: We have read with concern the contemplated action being taken by the Congress of the United States, concerning an appropriation to start a steam electric generating plant at New Johnsonville, and we, as a union, feel this is going a little too far toward socialism.

We are very much against this type of action, and the enclosed copy of a news release given out by our international officer, William J. Pachler, gives our feelings in the matter and puts us on record as being against the project.

Respectfully yours,

LOCAL 175, U. W. U. OF A.,
EDMOND WARD, *President*.

The article which he encloses reads, in part, as follows:

CIO UNIT WANTS PROGRESSIVE CAPITALISM

UTILITY UNION AGAINST FEDERAL OPERATION

(By Alan Pritchard, Daily News staff writer)

A CIO union that sees Government ownership as a dangerous threat to basic American principles is the Utility Workers Union of America.

Their international secretary-treasurer, William J. Pachler, said here Saturday that the utility workers are strongly opposed to Government competition in business—especially in the light and power business.

I shall pick out a few other statements made by the writer of the article:

"When we say we're against Government competition in the power business, we aren't beating the bushes for the power companies," Pachler emphasized. "There are many things wrong with the way some private power companies treat their employees. We're out to correct those things.

"We are beating the bush for a type of living in which private ownership is fundamentally correct. We're not against progressive social measures under our present capitalistic set-up, but we are against socialism where the Government competes with private enterprise."

"The building of power dams and reclamation of unusable land by Government authority projects is also not opposed by the union," Pachler said. It is only in the distribution of electrical power that an issue arises.

Pachler believes that the Government should turn over power distribution to private companies. "Government regulation of the companies might be necessary," he said, "but not absolute Government control."

The attitude of the union is not altogether unselfish, Pachler admits.

"From a bargaining point we would be much better off dealing with private industry than with a Government agency," he said—

And so on. My reason for reading that, Mr. President, is to show that the opposition to the steam plant has come from various groups of our country's population and from various sections of the United States.

Mr. MALONE. Mr. President, will the Senator yield?

Mr. BRIDGES. Certainly.

Mr. MALONE. I understand that the distinguished Senator from New Hampshire is opposed to financing socialism in the United States. I might ask whether it would be any worse to finance socialism in the United States, rather than in England?

Mr. BRIDGES. Of course, I am opposed to financing socialism anywhere; but if it must be financed, I would rather have it financed in England than here.

Mr. MALONE. Mr. President, will the Senator yield for another question?

Mr. BRIDGES. Certainly.

Mr. MALONE. First let me say that I have listened very carefully to the debate so far, and I wish to ask a couple of questions in regard to the use of steam power in firming up what I suppose is considered secondary power. I have had my assistants and the engineer of the Committee on Public Works searching for several hours for information from which to determine what amount of firm power is furnished by each one of the dams mentioned, for instance, on page 842, in part 1 of the hearings before the Committee on Public Works, United States Senate, 1948. The same list, or approximately the same list, appears in the hearings held by the Appropriations Committee on the first deficiency appropriation bill for 1949, at page 214. There is a difference of two dams, as between the two lists; one list sets forth 23 dams, and the other 25. Nevertheless, I see no place in any of the hearings before the Appropriations Committee where there is a determination of how much firm power each one of the dams furnishes, considering the available storage utilized in connection with such dam, and how much of the power is secondary power, and the percentage of the time that the secondary power is available in each case.

To make the point a little clearer, let me say that secondary power is, of course, power that is not available 100 percent of the time. Firm power is available 100 percent of the time. Storage back of the dams of course enters into the picture, for a large storage sometimes firms power which ordinarily would be secondary power. Of course, all those factors are taken into consideration in determining the amount of firm power and the amount of secondary power.

I find nothing that determines this matter for us, except we do find that there is available hydro power, from the 25 hydroelectric dams, as follows, as nearly as we can make the determination: 10,100,000,000 kilowatt-hours of firm power, and 2,300,000,000 kilowatt-hours of secondary power.

There is no information as to the percentage of the time the secondary power is available—that is to say, whether a part of it might be available perhaps 1 month or 9 months out of the year.

For instance, in a report entitled "Engineers Data, Tennessee Valley Project," turning at random to the figures for one of the dams, the Hale's Bar Dam, which is one in the list of 23, and also included in the list of 25, I notice that in 1944, the last year for which we have complete water records, in January there was a discharge of 45,000 cubic feet per second—in other words, a flow of water in that amount in January. Apparently the maximum flow was reached in February and March; on March 4 it was 145,000 second-feet. It reached the lowest point in July, August, and September. The lowest I note offhand is 6,888 second-feet, which is only about one twenty-fourth of the maximum flow. So there is a great variation in flow.

No doubt the secondary power comes about during the summer and fall, in the low-water period. But I find nothing in the report, on the basis of a quick inspection of it, to tell us the percentage of time that such secondary power is available.

I am trying to determine the data upon which the Appropriation Committee determined the feasibility of the steam plant. Engineers know that if secondary power is of too little value—for instance, if it is available only 5 or 10 percent of the time—then rarely is it

advisable to build steam plants to firm the power. On the other hand, if the secondary power is available 60 or 70 or 90 percent of the time, then there is a question of economics as to what amount of such power it is worth while to attempt to firm. Many factors are to be considered and in each case certain factors would be given different weights. These factors include fuel costs, availability of power elsewhere for the purpose, the sale price and usability of such firm power in comparison to the existing secondary or intermittent power.

All the information which we can get from a quick examination—and I have hoped that someone here would have the necessary information—shows that there are 2,300,000,000 kilowatt-hours of secondary power. The steam-plant power available from facilities already constructed amounts to 1,200,000,000 kilowatt-hours—on an annual basis; and the projected power plant would furnish 3,300,000,000 kilowatt-hours, making a total of 4,500,000,000 kilowatt-hours of steam power to firm apparently 2,300,000,000 kilowatt-hours of secondary power. Those figures may not be correct, but that is the best information we can obtain from the reports.

That would show that, on an average, the secondary or hydropower is available approximately 30 percent of the time, and the proposed steam-power plant would be built to furnish power about 70 percent of the time, thereby making it firm power.

The question then that I wish to ask the distinguished Senator from New Hampshire, leaving that phase of the matter for a moment, what is the amount of such firm and secondary power at each of the 23 or 25 dams and what percentage of the time is the secondary power available in each case? We made an investigation last year, I was chairman of the subcommittee on electric power, flood control, and rivers and harbors, of the Public Works Committee, holding hearings on a bill that the distinguished Senator from Tennessee had introduced to amend the TVA Act. Through those hearings were were determining how the TVA project compared with other projects authorized by the United States Government, as a general policy. We determined that the income from the power projects could be expended by the TVA Board in any way it saw fit without further authority, so long as it reported such expenditures to the Congress. We determined that there were no set payments except over a 10-year period. The House of Representatives had, very lately, established a certain payment which had to be made over a 10-year period. The method used in determining the amount was rather a shotgun method; there was no particular system to it, because until then no payments had been required.

The Power Commission made a report upon the invitation of our subcommittee of the Public Works Committee, examining the allocation of the entire cost of the TVA development of $750,000,000 to $800,000,000 relative to flood control, navigation, and power. Navigation was judged to be approximately 30 percent of the total expenditure; flood control, 30 percent; and power, 40 percent.

No data are available apparently, upon which we can base feasibility of the proposed power plant.

That would show the use of the 40 percent or $438,000,000 for power purposes. The other 30 percent, of course, for navigation and 30 percent for flood control were written off in accordance with the long-established congressional policy. There were no interest payments on the 40 percent allocated to power. For example, on the Hoover (Boulder) Dam project we pay 3 percent interest and amortized the cost over a period of 50 years. They meet those payments on the barrelhead, and pay the 3 percent interest. No steam power plant has been constructed or requested. I do not say it never will be requested. But thus far no steam power plant has been needed. There is a large amount of secondary power, but it is all sold to municipalities and private companies in the Southwest, and they have their stand-by steam-power facilities and are still constructing necessary steam power plants to make up and to firm up such power.

This suggests two questions: First, if the Senator from New Hampshire can furnish the information on the secondary power as to what percentage of the time it is available from each of these 25 dams, so we would have some idea of whether it was a proper balance and whether as such it is a feasible operation; second, is there any other source of such steam power which could be used for firming of the secondary power? Are there any cooperative organizations or companies within the area that would be willing to furnish or that could furnish such steam power?

I understand that all such companies are all connected now and all coordinated and working. I have not determined how I am going to vote on the Senator's amendment, because I am in favor of Government projects, as I was in favor of Hoover (Boulder) Dam, Shasta Dam, and San Joaquin Dam, Calif., Bonneville Dam, Oreg., and so forth, whenever through such construction which private companies cannot do a wide area and field of private investments is thereby made available. In such cases I have always favored Government assistance, and I intend to favor this project if it is justified by the facts. I am not opposed to the steam plant as such; it must, however be justified by the facts. Those are the two questions which I wanted to ask the Senator from New Hampshire.

Mr. BRIDGES. Yes, but let me say——

Mr. KEFAUVER. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield.

Mr. KEFAUVER. I wonder whether the Senator does not think that the statement in the table on page 214 of the hearings, taken in conjunction with the statement by Mr. Clapp, at page 197 of the hearings, would fairly well answer the question. As I get the picture on page 217, the "percentages of expected average generation capacity" mean substantially the firm power that is generated at those plants, and that the "percentages" given in the last column of "stream flow nonusable with present capacity" is the water that is going to waste, because they cannot firm it up. Then, on page 197, Mr. Clapp says that in order to make prime power to the extent of 3,000,000,000 kilowatt-hours a year this New Johnsonville steam plant would have to be operated one-third of the time.

Mr. MALONE. Mr. President, will the Senator yield further?

Mr. BRIDGES. I yield.

Mr. MALONE. We have carefully examined the table on page 214 which simply shows for each dam the amount of stream flow, nonusable with present capacity. It does not say what time, whether it is August, September, October, or November, or whether it is 2 months, 3 months, or 5 months, that the stream flow amounts to 10 percent. So it is impossible to determine how many kilowatt-hours of secondary power there would be. We may take, for example, the power at Chickamauga Dam, the fourth one on the list, was 81,000 installed kilowatt capacity. Expected average generation capacity is 95 percent, while the nonusable stream flow is 25 percent. It does not say what the unused capacity requires to go through the plant. It does not say how many kilowatt-hours of secondary power it will generate, or what period of time the kilowatt-hours are available. That is to say, whether it is 10 percent of the time, 30 percent of the time, or 50 percent of the time that it will be necessary to use the steam power in order to firm power. The table gives very little information. The information that I requested of Mr. Clapp is here and he did not give me the information needed for the purpose.

Mr. BRIDGES. I may say to the Senator from Nevada so far as I am concerned the Senator is a very distinguished engineer in his own right. He probes into these matters from a technical viewpoint, and I think they should be so treated. Generally, I have not the specific information at my command on the floor to give the answer. I can furnish it, but it will take me some time to go to the staff of the committee and turn to the TVA records in order to obtain it. I do not have it available.

Mr. MALONE. Mr. President, will the Senator yield for a further question?

Mr. BRIDGES. Certainly.

Mr. MALONE. We have already gone to the record, everything we could find in the Public Works Committee hearings. I suppose we have gone back 3 or 4 years. We contacted several other sources, but it is impossible for me to get it at this time and I thought perhaps someone who had been dealing with the matter might have the information on the floor.

Mr. BRIDGES. I am sorry, but I do not have it. We can procure it latter, but I do not have it at the moment.

Mr. FERGUSON. Mr. President, the last question asked by the able Senator from Nevada I think can be answered by referring to certain statements in the RECORD. I should like to give the information as to the first question, relative to the authority to firm up and whether it was the first intention of the

Tennessee Valley Authority that they would take all the mechanical power and convert it into electrical power, and then firm it up, as the Senator has indicated. I think that question was answered by Mr. David E. Lilienthal in 1938, when he was testifying in a hearing before the Joint Committee To Investigate the Tennessee Valley Authority, the Seventy-fifth Congress, third session. Here is what he stated at that time:

Yet it is a part of our job to dispose of all of this power not 20 or 30 years from now, but as soon as possible and, so far as possible, every year during the life of the plants. That means that some method must be found of disposing of power for relatively short periods pending the growth of load by our municipalities and cooperative customers.

The only solution is the sale to industrial and utility customers that we have been able to find.

In other words, there was a mandate upon the part of Congress, saying they should furnish municipalities and cooperatives first. Mr. Lilienthal was trying to find out how they could take this power, not thinking about steam plants to firm it up, but how they could use firm power and the surplus power which would be sold. He said this:

That means that some method must be found of disposing of the power for relatively short periods, pending the growth of loads by our municipal and cooperative customers.

What happened in 1948? The cooperative customers are demanding more power in the future, and instead of using the streams which they have a constitutional and legal right to use, they will not build dams at the present time, but will use steam, and then next year, and the year after that, they will be putting in more hydroelectric dams. They will then want to firm the power derived from them. In other words, there is no end. They have decided they will have a line reaching from the Tennessee Valley up through the Mississippi Valley, into Chicago, through Detroit, and into New England, so that the Power Authority can say it is interstate commerce, and they will have the right to firm up power in Chicago, Detroit, and all along this line.

Mr. HILL. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. HILL. I do not understand the authority for the Senator's statement. Was he quoting from some one?

Mr. FERGUSON. No; I was not quoting.

Mr. HILL. Then, is it merely the Senator's theory of the matter?

Mr. FERGUSON. Yes.

Mr. HILL. There is absolutely nothing in the record of any spokesman, proponent, or advocate of TVA which would justify the Senator's statement. Of course he has a right to his own opinion, but there is nothing in the record that would justify his statement.

Mr. FERGUSON. I shall read from Mr. Lilienthal's statement:

We have been successful in so staggering our contracts that I believe we have in large part solved the problem of reserving power for the growth of our municipal and cooperative customers without presently wasting the power so reserved. I hope that is clear.

In other words, in 1938 they had solved the problem. Then he proceeds:

The committee will see that our industrial contracts fit into a pattern. At the end of 5 years the Arkansas Power & Light Co. contract may be terminated. At the end of 10 years another very large block of power that is now sold the Aluminum Co. may be recaptured for sale to public agencies. In another 8 years another large industrial contract will expire. That is the Monsanto Chemical Co.

* * * * *

And I think, and I think most people feel it was remarkably good fortune that they succeeded so well in handling this very difficult situation of getting revenues as we go along and yet having blocks of power that we can cut off in the years to come to take care of the priority customers' increased needs in the future.

In the testimony given before the same committee, on behalf of the TVA, in December 1938, Mr. J. A. Krug, who is now the Secretary of the Interior, but who at that time was with the TVA, said:

On the contrary, the power capacity to be provided by the Authority in connection with its navigation and flood-control program is proving to be an essential addition to existing generating facilities. It is now apparent that it will be necessary for the private companies or public agencies in the area to install over 885,000 kilowatts of additional generating capacity during the next 8 years, as the 1,400,000 kilowatts of capacity which will become available under the Authority's present program will be far from sufficient to meet established additional power requirements.

He had in mind that all they were authorized to do and what they wanted to do was to furnish power coming from the dams, and the private industries would have to firm up their own power. That was then the plan but now they have conceived a different idea.

I read further from Mr. Krug's testimony:

Since 1933 the situation has improved rapidly. We now expect by 1941 that practically all of the surplus capacity will disappear, and that in each year thereafter shortages will result if the only capacity installed is that already existing and that being added by the Authority.

I don't mean to give any impression or arouse any fears that there will be a shortage, because the public agencies and the private power companies are in a position and have plenty of time to install the facilities that are necessary, but if none was installed by the private power companies or local public agencies, and we simply add the capacity now proposed in the TVA 10-dam system, by 1942 there will be a shortage of 182,000 kilowatts, and by 1946, which is the approximate date for the completion of the Gilbertsville Dam, the shortage will be 885,000 kilowatts.

In other words, the private-utility companies and municipalities did not build any of their own dams, and now TVA wants to furnish all the power.

Mr. President, there is another item which has been mentioned. It has been contended that the United States Government has waived the Constitution. In other words, Congress has been legislating on the assumption that these activities are always constitutional, and that the TVA had full authority. I am glad the Senator mentioned the fact that the Public Lands Committee had been considering——

Mr. MALONE. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. MALONE. It was the Public Works Committee. We were trying to determine how the TVA differed in its operations from the regularly established policy of the United States Congress in connection with requiring no definite time for repayment, and no interest payment, together with the fact that the Authority could expand the income from power projects without authority from Congress, merely reporting to the Congress what had been done with the money.

We have not determined recommendations in connection with the subject. That was in November 1948. We secured necessary information, and the Senator from Nevada means to add it up on the floor sometime and make it a matter of record. But the question is asked now to determine the feasibility of a steam plant firming up power from all these 25 dams, and how much firm power is available in each one, how much is secondary power, and what percentage of the time could it be determined how much of the secondary power would be justified in firming up the power.

Mr. FERGUSON. I understand what the Senator has asked, but I cannot give him the answers from the record.

Mr. MALONE. I do not see the information in any of the hearings. I am not opposed to steam plants as such. I have not determined how I shall vote on the pending amendment, because I am trying to determine whether the plant is justified or not. If it is justified, and there is no other way to secure the necessary power, the Senator from Nevada intends to vote for the provision of the bill. But I should like to have a little further explanation.

Mr. FERGUSON. It has been stated that the Government has built other plants, and therefore they should build this one. But to prove—and I think this is good evidence—that the law at the present time does not authorize the building of this plant, I call attention to the fact that Senate Joint Resolution 1 was introduced in the Senate on January 5, 1949, by the able senior Senator from Tennessee [Mr. McKELLAR]. The junior Senator from Tennessee [Mr. KEFAUVER], on January 5, 1949, introduced Senate Joint Resolution 177 to grant direct authority for the construction of the proposed dam. So that I think it is fair to say that up until the present time there is no direct authority for the erection of the dam.

Mr. McKELLAR. Mr. President——

The PRESIDING OFFICER (Mr. SPARKMAN in the chair). Does the Senator from Michigan yield to the Senator from Tennessee?

Mr. FERGUSON. I am glad to yield.

Mr. McKELLAR. I call the Senator's attention to section 9 (a) of the TVA Act:

The Board is hereby directed in the operation of any dam or reservoir in its possession and control to regulate the stream flow primarily for the purposes of promot-

ing navigation and controlling floods. So far as may be consistent with such purposes, the Board is authorized to provide and operate facilities for the generation of electric energy at any such dam for the use of the corporation and for the use of the United States or any agency thereof.

This is the language to which I wish to call the Senator's attention:

And the Board is further authorized, whenever an opportunity is afforded, to provide and operate facilities for the generation of electric energy in order to avoid the waste of water power, to transmit and market such power as in this act provided, and thereby, so far as may be practicable, to assist in liquidating the cost or aid in the maintenance of the projects of the Authority.

Mr. FERGUSON. That does not change the opinion of the Senator from Michigan at all.

Mr. McKELLAR. Of course, if the Senator is in that frame of mind, I cannot agree with him at all.

Mr. FERGUSON. Let me ask a question of the Senator from Tennessee. Why did he introduce Senate Joint Resolution 1? If the Authority already had the power, why did the Senator ask the Congress to give them specific authority to build these dams?

Mr. McKELLAR. I do not recall about the specific measure to which the Senator refers. That was a joint resolution which I think was never acted on.

I call the Senator's attention to further authority, in the last sentence but one of section 14 of the TVA Act, as follows, referring to the Board:

Shall have power to construct such dams, and reservoirs, in the Tennessee River and its tributaries, as in conjunction with Wilson Dam, and Norris, Wheeler, and Pickwick Landing Dams * * * and shall have power to acquire or construct power houses, power structures, transmission lines, navigation projects, and incidental works in the Tennessee River and its tributaries, and to unite the various power installations into one or more systems by transmission lines. The directors of the Authority are hereby directed to report to Congress—

And so forth. I call the attention of the Senator to this further language in the TVA Act, in section 14:

In like manner, the cost and book value of any dams, steam plants, or other similar improvements hereafter constructed and turned over to said board for the purpose of control and management shall be ascertained and allocated.

Mr. FERGUSON. Mr. President, it would take a great deal of time to review the act itself to prove that authority is not given in the act to build a steam plant, but I shall refer to the record, where the subject may be found ably presented to the committee, on page 237 of the hearings, beginning at the bottom of the page:

TVA Act as amended does not purport to authorize the TVA to construct steam-generating plants.

That continues, citing sections of the act and the argument. I shall not attempt now to review all that has been said on this subject, but I will ask that this argument be placed in the RECORD. I repeat that if the act authorized the construction of the plant it seems strange that a new measure would be introduced to grant this specific authority.

It was argued on the floor of the Senate yesterday, and to some extent today, that the Watts Bar steam plant furnished authority for the right to build steam plants such as the Authority is here requesting. I wish to refer to the record. I have made up a collection of citations and authorities from the various reports. The record clearly shows that the Watts Bar steam plant was for national defense.

I wish to point out that in the Senate and House hearings the question was presented, "Has the Government the right to build a steam plant to generate electricity for commercial sale?" I desire to make it clear that the Senator from Michigan does not contend that the Government cannot constitutionally and legally construct a plant for national defense, but there is nothing in the record to show that the New Johnsonville steam plant is for national defense.

Mr. DONNELL. Mr. President, will the Senator yield for a question?

Mr. FERGUSON. I yield.

Mr. DONNELL. In the Senator's opinion what does the record show as to what the New Johnsonville plant is constructed for?

Mr. FERGUSON. I shall read the language from page 27 of the House report:

That function—

Of this New Johnsonville plant—

That function is to keep carrying whatever increased electric current is required to provide the service which the municipalities and the cooperatives have agreed to give in their areas, and which we, in turn, for the Government, have agreed to give, and arranged with them, the municipalities and cooperatives.

In other words, the New Johnsonville plant is to take care of future needs of municipalities and cooperatives and industry that might from time to time in the future come into the Tennessee Valley.

Mr. DONNELL. Mr. President, will the Senator yield for a further inquiry?

Mr. FERGUSON. I yield.

Mr. DONNELL. Is it the contention and view of the Senator from Michigan that the New Johnsonville hydroelectric plant was unconstitutionally erected?

Mr. FERGUSON. The New Johnsonville plant is not yet erected.

Mr. DONNELL. It has not yet been erected?

Mr. FERGUSON. No. This is the first appropriation for such purpose.

Mr. DONNELL. No money has been spent for that purpose?

Mr. FERGUSON. No money has been spent on the plant as I understand. So I am arguing now that it will be unconstitutional to build this plant.

Mr. DONNELL. Mr. President, will the Senator yield for another question?

Mr. FERGUSON. I am glad to yield.

Mr. DONNELL. Even the hydroelectric plant, the Senator contends, is unconstitutional?

Mr. FERGUSON. Oh, no; the hydroelectric is perfectly constitutional and legal because it is using the mechanical power of the drop of the water from a dam which is constructed under the specific authority of the commerce clause for navigation and flood control.

Mr. DONNELL. Mr. President, will the Senator yield for another question?

Mr. FERGUSON. Yes, I am glad to yield.

Mr. DONNELL. I want to be perfectly clear respecting these facts. I listened with considerable interest to a portion of the interrogation by the Senator from Minnesota [Mr. THYE], but I am not sure that I have the facts as yet clearly in mind. Is there now existing a hydroelectric plant at New Johnsonville?

Mr. FERGUSON. No, there is not.

Mr. DONNELL. That has not been constructed as yet?

Mr. FERGUSON. No, and never will be. There is no water power at New Johnsonville, as I understand. Perhaps one of the Senators from Tennessee would corroborate that point.

Mr. DONNELL. Mr. President, will the Senator yield for a further question?

Mr. FERGUSON. Yes.

Mr. DONNELL. What is there to which the proposed steam plant is to be supplemental? Is it not a hydroelectric plant?

Mr. FERGUSON. There are hydroelectric plants in other places in Tennessee, throughout the Tennessee Valley Authority, but not in New Johnsonville.

Mr. KEFAUVER. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. KEFAUVER. I think it should be stated that the New Johnsonville steam plant is between the Pickwick Dam, which is near the Mississippi boundary, and Kentucky Dam, which is near Paducah, Ky. It is on Kentucky Lake, and it is to be supplementary to all the hydroelectric plants.

Mr. DONNELL. Mr. President, will the Senator yield for a further question?

Mr. FERGUSON. Yes.

Mr. DONNELL. The hydroelectric plants to which the Senator from Tennessee refers are now in existence? Is that correct?

Mr. FERGUSON. That is correct.

Mr. DONNELL. So there are presently existing hydroelectric plants, as to the validity of which, from a constitutional standpoint, the Senator from Michigan is not making any complaint or contest? Is that correct?

Mr. FERGUSON. That is correct.

Mr. DONNELL. But the Senator from Michigan is of the opinion that the proposed steam plant which is to be ancillary to and supplemental to existing hydroelectric plants at some other locations will be unconstitutionally erected if it shall be erected?

Mr. FERGUSON. That is exactly the contention of the Senator from Michigan.

Mr. DONNELL. May I ask the Senator a further question?

Mr. FERGUSON. I am glad to yield.

Mr. DONNELL. A little later I want to ask, or to state, whichever it may seem best, the view I have arrived at as the result of hearing the debate this afternoon on the constitutional question. I do not want to ask it in the form of a fictitious question, so I presume the best way I can do it is to wait until I can secure the floor. But I wonder if

the Senator will be kind enough, when the matter is presented by myself, to give it attention and give the Senate his views in regard to the points which have occurred to me during the debate.

Mr. FERGUSON. I expect to stay on the floor throughout this debate, and I shall welcome the argument or the comment on the part of the able Senator from Missouri, because I know he is familiar with the questions involving the constitutionality of the act or of any future appropriations in connection with it.

Mr. KEFAUVER. Mr. President, will the Senator yield?

Mr. FERGUSON. I am glad to yield.

Mr. KEFAUVER. The distinguished Senator from Michigan said that he felt that the Watts Bar steam plant could have been justified on the basis of national defense.

Mr. FERGUSON. Yes.

Mr. KEFAUVER. I call the Senator's attention to the fact that Public Law 17 of the Seventy-third Congress creating the Tennessee Valley Authority provides in its preamble that one of the purposes of the TVA is to provide for the national defense.

I also should like to call the attention of the distinguished Senator to the fact that in the consideration had before the House Committee on Appropriations before the steam plant at Watt's Bar was built, the private power lobby or interest, or a part of it at least, urged that it would be more in keeping with our principles of government to build steam plants than it would be to build hydroelectric plants, but no member of the Appropriations Committee of the House of Representatives and no Representative on the floor of the House, even though several of them are distinguished lawyers, ever raised any question of constitutionality in arguing against the Dirksen amendment, which was offered for the purpose of building a steam plant instead of the Cherokee Dam in upper east Tennessee. No Member of the House contended that the building of a steam plant, such as the Watt's Bar plant, or additional steam plants such as were urged by Representative Dirksen, would in any way be unconstitutional. Altogether some 35 or 40 distinguished Members, lawyers, of the House of Representatives, participated in that debate. That is very persuasive to me.

I should also like to ask the distinguished Senator if he is not aware that when the Watt's Bar steam plant was being considered by the House of Representatives, and also when the New Johnsonville appropriation was brought up in the last Congress, a point of order was made against those appropriations on both occasions because they were not authorized by legislation, and if the point of order was not overruled by the Speaker of the House of Representatives?

Mr. FERGUSON. I am not familiar with what took place in the House.

Mr. KEFAUVER. That is the fact, I will say to the Senator from Michigan.

Mr. FERGUSON. I am not familiar with what took place with respect to the point of order, I mean, but I am familiar with the arguments on the constitutional question.

Mr. President, the preamble to the act from which the Senator has just read, contains these words:

> To provide for the national defense by the creation of a corporation for the operation of Government properties at and near Muscle Shoals in the State of Alabama, and for other purposes.

Yes, the Muscle Shoals plant was built for the national defense, and in the opinion of the Senator from Michigan was constitutional for that purpose. Now it may be said that this may be done under a war power. I have found nothing in the record upon which to base such a claim. On that point I would cite two cases. One is *Hamilton* v. *Kentucky Distilleries* (251 U. S. 146), and the other is *Wood* v. *Miller* (333 U. S. 138). I am satisfied that those two cases which recognize the war power—one on the question of the Prohibition Act and the other on the question of housing—do not apply in this particular case. I shall read a part of the opinion from Wood against Miller.

In Wood against Miller, the Court, in sustaining the rent-control law as an exercise of the implied war power of the Congress, said in part:

> We recognize the force of the argument that the effects of war under modern conditions may be felt in the economy for years and years, and that if the war power can be used in days of peace to treat all the wounds which war inflicts on our society, it may not only swallow up all other powers of Congress but largely obliterate the ninth and tenth amendments as well. There are no such implications in today's decision. We deal here with the consequences of a housing deficit greatly intensified during the period of hostilities by the war effort. Any power, of course, can be abused. But we cannot assume that Congress is not alert to its constitutional responsibilities. And the question whether the war power has been properly employed in cases such as this is open to judicial inquiry (*Hamilton* v. *Kentucky Distilleries Co.*, *Ruppert* v. *Caffey*).

So it may be said plainly that the Federal construction of proposed steam generating plants may not be sustained under these authorities as an exercise of the extraordinary implied war powers. The purpose of the plant is simply to meet the normal peacetime increase anticipated during the period 1949–52 in power requirements of "the 140 local public agencies which distribute TVA power." There is no purpose to meet even an alleged temporary shortage directly, immediately, and peculiarly caused by the war. Instead, the purpose is to meet precisely the same anticipated normal peacetime increase in power consumption which always has been, and is now being, met by privately and municipally owned public utilities in every locality in the United States. If, in the guise of exercising its extraordinary war powers, the Federal Government in time of peace may engage in the construction of steam plants merely to generate electricity for commercial distribution to the public, then it may engage in practically every business and manufacture in the United States in time of peace as an exercise of its implied war powers and thus convert our Government into a totalitarian state.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. LUCAS. I should like to ask the able Senator a question or two with reference to one phase of national defense which has been discussed briefly in the colloquy between various Senators. I think the Senator will agree with me that the Tennessee Valley Authority was created as a means of national defense.

Mr. FERGUSON. Muscle Shoals was. I will answer in that way.

Mr. LUCAS. Would the Senator say that the whole TVA power system in the Tennessee Valley could be used or has been used in the past for national defense purposes?

Mr. FERGUSON. A part of it is now being used for national defense, but a very small part. There is no contention in the record that the part which is being used cannot be fully and adequately supplied by the present hydroelectric power.

Mr. LUCAS. That raises a very serious question. I am not familiar with that testimony; but would the Senator agree with me that the construction of this steam plant would make available a larger volume of constant power for the valley?

Mr. FERGUSON. Yes. I should say that the purpose of erecting the steam plant is to manufacture and sell constant power commercially in the valley.

Mr. LUCAS. If the power were constant, would not that make more effective the entire Tennessee Valley Authority, including Muscle Shoals and all the auxiliaries to Muscle Shoals?

Mr. FERGUSON. I will put it this way: It would provide industries, municipalities, farmers, and others with more electricity.

Mr. LUCAS. It would provide industry with more power. It is possible to assume, as the Senator stated a moment ago, that as a result of the erection of this plant some new industries might come into the Tennessee Valley, including some industry which might produce, in a great emergency, articles of war which would tend to strengthen and aid the national defense.

Mr. FERGUSON. I shall have to answer that by saying that I do not believe the war powers or the national defense programs go to the extent indicated by the question. I believe that if a particular article were being manufactured for our national defense, the Federal Government could exercise its authority under the Constitution for national defense purposes, and manufacture the article, or erect a steam plant for the purpose of national defense. But there must be a relationship between the national defense and the particular thing which is being done, as was held in the case of Woods against Miller and the National Distillers case, which I have cited.

We cannot say that the erection of any steam plant in America is for the national defense. Otherwise, the Government could start in business tomorrow and take over all business, with the

statement that, "We may have a war 10 years from now or 50 years from now, and now is the time to prepare for those wars."

Mr. LUCAS. I agree with the last statement the Senator has made with respect to the Government building a new steam plant in a remote section of the country. But that is not quite the case here, as I understand. If we admit in the first instance that the TVA project has been constructed for purposes of national defense as well as for supplying electricity to the people in the locality, as well as industries which are operating there, it seems to me that we must admit that the construction of any other plant in that community to firm the power and make it more constant necessarily becomes an addition to and a strengthening of the national defense.

Mr. FERGUSON. Let me answer the Senator in this way: Muscle Shoals was built as a nitrate or explosive-manufacturing plant for the national defense in the First World War. I am sure the record will show the TVA was conceived in 1933, not for national defense, but solely under the commerce clause of the Constitution, which provides for the right to regulate streams with respect to flood control and navigation. It was not constructed as a part of the national defense.

If the United States Government wished to erect a steam plant as part and parcel of the atomic energy plant, I would not contend that it could not do so, because that would be directly for national defense, and it could be done. However, the Tennessee Valley project was started in 1933, not as a national defense project, but as a flood-control and navigation project. Muscle Shoals is different, and the Watts Bar Steam Plant is different.

I have taken the records from the various Senate and House documents, and later I shall place in the RECORD a statement showing conclusively that the Watts Bar steam plant was built solely for national defense. I shall quote the senior Senator from Tennessee [Mr. MCKELLAR] to the effect that it was so constructed.

Mr. KEFAUVER. Mr. President, will the Senator yield?

Mr. FERGUSON. I am glad to yield to the Senator from Tennessee.

Mr. KEFAUVER. Of course, all these steam plants and hydroelectric generating facilities are partly for national defense, because a great many defense plants are operating in that area. I invite the attention of the Senator to the fact that in June 1940, when the Watts Bar steam plant was authorized and appropriated for by Congress, no emergency had been declared by the Congress. As a matter of fact, even at the present time, when we are debating the New Johnsonville steam plant, we are technically still in a state of national emergency.

Mr. FERGUSON. But the record does not show that it is for national defense. It is to supply utilities.

Mr. KEFAUVER. It is shown in the record that in order to enable the TVA to furnish power for the atomic energy plant at Oak Ridge, for the Aluminum Co. plant at Alcoa, and for the various defense or quasi-defense activities of the Government, it is necessary to firm up this power. It is shown in the record that the Alcoa plant cannot operate at full capacity at the present time because of shortage of power. I am sure that Colonel Huddleston, the manager of that plant, has conveyed that information to the distinguished Senator, or at least to a number of Senators.

Mr. FERGUSON. The record is clear that there is sufficient firm power in the hydroelectric dams constructed under the Tennessee Valley Authority to furnish all the national defense plants in that neighborhood, and all Government agencies. I have read into the RECORD several times a statement to the effect that that is not the purpose. The purpose is to furnish municipalities and industries generally with power in the future.

We shall probably encounter the general welfare argument on the floor of the Senate—there was some indication of it earlier in the day in connection with the REA lending money. I want to comment on that argument. The general welfare argument takes us back to the debate between Hamilton and Madison at the time of the framing of the Constitution as to whether the so-called general welfare clause allows appropriations of money for the general welfare.

Mr. DONNELL. Mr. President, will the Senator yield?

Mr. FERGUSON. I am glad to yield.

Mr. DONNELL. The Senator from Michigan will agree with me, will he not, that in fact there is no such thing as a general welfare clause in the Constitution, but the clause referred to reads as follows:

> The Congress shall have power to lay and collect taxes, duties, imposts, and excises, to pay the debts and provide for the common defense and general welfare of the United States.

Mr. FERGUSON. That is correct.

Mr. DONNELL. It is a taxation clause for certain purposes; is it not?

Mr. FERGUSON. That is correct. The general welfare clause so-called, is only in connection with the levying of taxes and the appropriating of the money for the general welfare. But the general welfare has nothing to do with the specific powers of the United States Government.

Mr. President, it has been held in a number of cases, and seems to be the law, that the United States Government can appropriate money solely under the general welfare clause, which the Senator from Missouri has just read, the one with regard to taxation. That is what is done in connection with the REA. Under the REA, the United States Government does not erect a plant; it does not undertake to do so. It merely gives the money to a cooperative organization, with which that organization is to erect the plant; and that cooperative organization is considered a private organization, not a Government agency.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. LANGER. Did not the Senator from Michigan make a mistake in using the word "give"? The Government does not give the money; it makes a loan.

Mr. FERGUSON. Yes; that is correct. I did not mean that it donates, but that it provides, through loans.

Mr. President, I should be glad to review the authorities relative to that power, but I do not think it is necessary to do so here, because there is no contention here that to erect a steam plant at New Johnsonville, Tenn., would be for the general welfare. General welfare means just what it says—for the general welfare of the United States, not for the particular welfare of a specific locality.

The proposal now before us is not one for the loaning of money, but it is for the erection of a plant and the operation of a plant and the selling of the electricity from that plant to commercial users. Mr. President, we could not get nearer to the first step toward socialization than in connection with the proposal now made to us. I say this in all earnestness. Of course, I understand that today anyone who contends that we are taking the first steps toward socialization is considered out of line, and so forth; but I say in all sincerity that the same thing was true in the past. Well do I remember that a man by the name of Adolf Hitler started his program of nazism and a man by the name of Mussolini started his program of fascism under the first steps, as they called them, of socialism under the Democratic Socialist Party. They considered that they were taking the first socialist steps in Italy and in Germany. It is well known the world around that when we take such steps, we do not realize what the next steps will lead us into. No one could have argued successfully to Britain a few years ago that she would find herself socializing all her industries. No, Mr. President; Great Britain was then a free enterprise nation. So these things come upon us.

I should like to say just a few more words on this subject of the proposed TVA steam plant at New Johnsonville, Tenn. I personally feel that it is without constitutional authority; I am of the opinion that it is without statutory authority.

Mr. WHERRY. Mr. President, will the Senator yield for a question?

Mr. FERGUSON. I am glad to yield.

Mr. WHERRY. Why does not the Senator from Michigan make a point of order against this proposal, if he feels that it is without constitutional authority? That point interests me.

Mr. FERGUSON. The reason I cannot do so is that the provision was placed in the bill in the House of Representatives.

Mr. WHERRY. Was the point of order raised in the House of Representatives?

Mr. FERGUSON. No; it was not.

Mr. WHERRY. Mr. President, will the Senator further yield?

Mr. FERGUSON. I am glad to yield.

Mr. WHERRY. Was not this question raised in the Senate a year or two ago,

when the appropriation came before the Senate; and at that time did not the then President pro tempore rule that it was included under the authorization of the act, and that a point of order was not good against it?

Mr. HILL. Mr. President, will the Senator yield to me?

Mr. FERGUSON. I am glad to yield.

Mr. HILL. The Senator from Nebraska is absolutely correct. The then President pro tempore, the distinguished senior Senator from Michigan [Mr. VANDENBERG], was in the Chair at the time when the distinguished Senator from Missouri [Mr. KEM] made a point of order against this very appropriation for the New Johnsonville steam plant, on the ground that the appropriation for the steam plant was not authorized in the act. Some of us then on the floor of the Senate presented the matter to the President pro tempore, and I am sure he examined the authorities and weighed the matter very carefully. In fact, I have before me a very extensive brief on the subject, but I shall not burden the Senate with it at this late hour.

But after considering the matter carefully, the Senator from Michigan, then the President pro tempore, made the following statement:

> It seems to the Chair that the entire purposes of the legislation which must be construed, and particularly the purpose as described and identified in the committee reports accompanying the original (TVA) legislation, contemplates an integrated system, and it seems to the Chair that an integrated system includes not only dams and hydroelectric works, but also steam plants, as identified in the specific language of the amended act.

That was the ruling of the Chair, and then the Chair overruled the point of order.

Mr. WHERRY. Mr. President, will the Senator yield for a further question?

Mr. FERGUSON. I yield.

Mr. WHERRY. Was an appeal taken from the decision of the Chair?

Mr. FERGUSON. No; no appeal was taken.

Mr. HILL. Mr. President, will the Senator yield?

Mr. WHERRY. I yield.

Mr. HILL. Let me say that the then President pro tempore, the distinguished Senator from Michigan, laid his decision open to appeal; he wanted every Senator to know that he would take no offense if an appeal were taken. But none was taken.

Let me also say that the distinguished senior Senator from Michigan who rendered that decision voted against the appropriation; he was not in favor of the appropriation for the steam plant. But he construed the law as the law was and is, namely, an authorization for this appropriation.

Mr. FERGUSON. I realize what the distinguished senior Senator from Michigan, the then President pro tempore, ruled last year. He stated at the time that it was a close point, and he suggested that his ruling be appealed without prejudice to either argument. But that, Mr. President, does not make it the law.

Mr. WHERRY. Mr. President, will the Senator yield for a further question?

Mr. FERGUSON. I am glad to yield.

Mr. WHERRY. The junior Senator from Nebraska, I think, is in complete accord with the amendment or resolution the junior Senator from Michigan expects to offer relative to testing the constitutionality of the act. It has been my opinion, I may state to the junior Senator from Michigan, that the authorization is within the provisions of the act. For that reason it seems to me it is a question of appropriation, not of authorization. So I ask the Senator, why does he not attempt to amend the authorization so as to make it plain that it does not authorize the steam plant?

Mr. FERGUSON. I cited an authority this afternoon that proves the steam plant is not authorized by the act, namely, that both Senators from Tennessee in January of this year offered resolutions in the Senate to authorize the New Johnsonville plant.

Mr. WHERRY. Mr. President, will the Senator yield for another question?

Mr. FERGUSON. I am glad to yield.

Mr. WHERRY. But that does not answer my question. Even though the senior and junior Senators from Tennessee submitted resolutions, that still does not answer the question I asked, which is, Does not the junior Senator from Michigan feel that the proper way to reach the point is not by way of restricting or eliminating the appropriation, but by an amendment of the act itself, making it plain once and for all that steam plants are or are not included? I ask that question in all seriousness, because the Senator knows as well as I do how I feel about socializing industry in this country.

Mr. FERGUSON. I shall answer the question in this way: If we reject the appropriation, there is a resolution now before the proper legislative committee upon which the Congress can determine specifically whether a steam plant can be built, but that does not affect the argument of the Senator from Michigan that a measure providing for the erection of the steam plant is unconstitutional.

Mr. WHERRY. Mr. President, will the Senator yield for another question?

Mr. FERGUSON. I am glad to yield.

Mr. WHERRY. I can see that point, and I am inclined to go along with the junior Senator from Michigan on testing the constitutionality of the provision. I think that is proper. I believe possibly we should have an opportunity to do that at any time with respect to any act in which such provisions are included. But that is not the point I make.

Mr. FERGUSON. That is not the point here, either.

Mr. WHERRY. No. The point is that this has been authorized. The basic act in 1933 authorized it. Whatever one's opinion may be with regard to socializing or not socializing American industry, I ask the Senator once again, is not the proper way to determine the question to write into the basic act itself a provision that the act shall not in any way be construed to authorize the purchase of land and materials for the construction and the construction itself of a steam plant, instead of attacking appropriations as they come to the Senate? That is the point I wanted to make.

Mr. FERGUSON. I may answer by saying there are two methods of reaching the result. One is the method suggested by the Senator of repealing the so-called authorization in the act. The other method is to withhold appropriation of the money. The provision of the pending bill is very cleverly worded. The able Senator from Vermont today wanted to know why this item was not mentioned in the report. Let me read the appropriation that covers this item. On page 12, line 7, "Tennessee Valley Authority"——

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. FERGUSON. I am glad to yield.

Mr. McKELLAR. The Senator has served on the Appropriations Committee of the Senate.

Mr. FERGUSON. Yes.

Mr. McKELLAR. The House committee in passing on this bill submitted a report on the Tennessee Valley Authority, authorizing a certain amount for the construction of the steam plant, with a full description of it. As the Senator knows, it has been the custom of the Appropriations Committee of the Senate, when the House makes a report to which the Senate agrees, and the House report has already been printed, not to have it printed again. The Senate committee does not do that.

Mr. FERGUSON. The Senator from Michigan is not criticizing the report. I merely want to read from the bill to show how the matter appears there.

Mr. McKELLAR. The Senator was saying the Senate committee had not submitted a report on it.

Mr. FERGUSON. No.

Mr. McKELLAR. The Senate committee had not reported on it because the House had reported, and the report was before the Senate committee, and it is now before the Senate. It is here now.

Mr. FERGUSON. I shall answer the Senator a little later, but I want to read——

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. WHERRY. Does not the junior Senator from Michigan feel, however, that the proper place to take care of such matters is in the basic legislative act itself, rather than to circumvent or destroy the purposes of the act through the secondary method of withholding appropriations? I ask the question for this reason: I believe the place to stop appropriations is in the authorization bills. That is the reason I did not support ECA. I said that I would, if it were cut 15 percent. I believe the authorization is the place to stop appropriations, otherwise appropriations may be sabotaged. I ask the junior Senator from Michigan whether the first place, namely, the authorization itself, is not the place to accomplish what he is desirious of accomplishing? Of course, if the Senator offers an amendment calling for a test of the constitutionality of the act, I may say now that I shall support the amendment, because I feel we have a right to

test the constitutionality of any act. But I submit to the Senator, is not the place to remedy the difficulty in the authorization, rather than completely to withhold appropriations after the Congress has once determined upon a policy?

Mr. FERGUSON. The Senator from Michigan is of opinion that the Appropriations Committee has a function to perform, and that even though an appropriation is authorized for a given purpose, it constitutes no legal or moral obligation upon the Appropriations Committee to appropriate one dollar. If that is not the rule, we might as well abolish the Appropriations Committee. Let me explain for a moment what was brought out by the able Senator from Tennessee. Do we realize the position of the Appropriations Committee, when the House appropriates a certain amount in response to a budget request? For example, suppose the House authorizes the full amount of a budget request. I have never known the Senate Committee on Appropriations to go into such an item at all. It is only when the bureau wants more money than is allowed by the House that we go into it, and then we only go into the amount asked for, in addition to what was allowed by the House. In other words, the Appropriations Committee of the Senate is merely an appellate court, in effect. That is what it amounts to. It considers only items on which the House has cut the budget request, or when an agency wants even more than the budget allowance, and it comes before the Senate committee to justify the demand. At times I feel that is why the people call the Senate the upper House, because we are always "upping" appropriations. Why do we do it? Because the agencies go before the House committee, have a complete hearing, and when the House cuts appropriations, they come to the Senate and put full pressure on the Appropriations Committee to get something more than has been allowed by the House.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. FERGUSON. I am glad to yield.

Mr. WHERRY. I appreciate the observation just made, and I suppose that, seated alongside the Senator, I have done my level best to curtail appropriations to as great an extent as any other Senator.

Mr. FERGUSON. The Senator has done that.

Mr. WHERRY. But I ask the Senator this question: Is it not true that in the event an authorization is not made in the first place, then the Appropriations Committee has no jurisdiction? If there is an authorization, is it not the real function of the Appropriations Committee to justify the amount proposed to be appropriated, rather than for the committee or an individual member of the committee to attack the authorization?

Mr. FERGUSON. Let me answer that by reading from the bill itself. I defy anyone to find in the bill itself what is embraced in this item. There is no reference to a steam plant. On page 12, line 8, we find:

For an additional amount for "Tennessee Valley Authority," $2,950,000, to remain available until expended; and the limitation under this head in title I of the Government Corporations Appropriation Act, 1949, on the amount available for capital expenditures, is increased from "$21,689,000" to "$24,639,000."

A reading of the House bill discloses that $2,500,000 of the $2,950,000 is to be used to start to build the New Johnsonville steam plant. In other words, the general language "for capital expenditures" is used.

So I say the answer to the Senator's question is not that the item should be taken out of the original act; it should be defeated in the committee itself.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. FERGUSON. I shall be glad to yield.

Mr. WHERRY. Does not the Senator agree that the duty of the Appropriations Committee is to determine the amount of the appropriation, and not to determine the constitutionality of the authorization? I think that should be tested in the basic legislation. It should be taken to the Supreme Court for decision. I agree with the Senator that whether it is $21,000,000 or $19,000,000, $2,450,000 or $1,450,000, it is the province of the Appropriations Committee to determine it. But after Congress has authorized it and made it a part of the basic law, then it is not proper to decide not to grant one dime of the appropriation. After the basic legislation is passed, its constitutionality can be tested by the Supreme Court.

I was everlastingly criticized a year ago for voting against ECA because I did not agree with the approach. This year I have been criticized because I voted against it. But, once it is the policy of Congress, once Congress has authorized it, then my job, as a member of the Appropriations Committee, is not to vote against any appropriation; my job is to see to it that every project is justified, and to vote the necessary appropriation.

Mr. FERGUSON. I think the Senator's job also is to screen the projects.

Mr. WHERRY. Should I vote for all appropriations for ECA after the committee has authorized them?

Mr. FERGUSON. I think the Senator should consider the question whether it is constitutional. The Senator from Michigan will put into the RECORD, at the end of his remarks, an argument on the basic law, showing that the authorization is not in the basic law and that, therefore, the Appropriations Committee must pass upon the question.

Mr. WHERRY. Mr. President, will the Senator yield further?

Mr. FERGUSON. I yield.

Mr. WHERRY. I should like to ask the Senator to answer this question: As a member of the Appropriations Committee, should I deny every penny of appropriation for the ECA after Congress has authorized the appropriation, or is it not the duty of the junior Senator from Nebraska to see to it that the projects are justified and to vote for whatever appropriations he feels are justified?

Mr. FERGUSON. If the Senator wants my opinion, I would say that, on the constitutional question, the Senator should decide whether, when appropriations are made, the project for which they are made is constitutional. If the Senator believes it to be constitutional, then he should decide upon the amount he believes should be appropriated.

Mr. WHERRY. Mr. President, will the Senator yield for another question?

Mr. FERGUSON. I shall be glad to yield.

Mr. WHERRY. The basic act establishing TVA was passed in 1933. The question confronting the junior Senator from Nebraska at this time is that until the basic legislation is changed, inasmuch as a point of order was not made in the House, and that a year ago, when the President pro tempore made his findings, and no appeal was taken, the Senate has to proceed on the theory that the authorization is in the basic act. If it is, then I say it is applicable to ECA. I agree with the Senator from Michigan that the question of constitutionality can be tested, and I think an opportunity to do should be afforded. But it seems to me that the province of the Appropriations Committee is to determine what can be justified, and not sabotage appropriations to the extent that they are denied after the Congress has proceeded to authorize the project to continue for another year. It is the same way with regard to the steam plant which is involved in this bill. A point or order was not made in the House, and the basic authorization is provided for, and it is on that basis that we must face the issue.

Mr. FERGUSON. The reason why it was raised in the Senate last year was that it involved new legislation in an appropriation bill. That point of order can be raised. But if the item is in the bill when it comes from the House, then no point of order can be raised. This matter was in the bill as it came to us from the House.

During the debate on the motion to amend the rules in the present session of Congress, we debated a ruling of the Chair. A few Senators on this side of the aisle voted not to sustain the ruling of the Chair. I know of no Senator who is forever bound because there is no appeal taken from the decision of the Chair, so that he can never raise the point that the decision of the Chair was incorrect. I disagree, and I now disagree, with the ruling of the Chair on the question of the right of the Senate under the rule, to take up a bill. It was debated for many days. I disagree with my able colleague from Nebraska who states that this item was authorized in the act itself. I have a right to raise the question on the floor now as well as at any other time. I am not raising it at this time. I intend to raise it later by motion.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. FERGUSON. I shall be glad to yield.

Mr. McKELLAR. Mr. President, the Senator took exception a few moments ago to the method by which the $2,950,000 was placed in the bill, only $2,500,000 being used for the dam. The Senator has been a member of the Appropriations Committee for a long time. Is the Senator familiar with the

fact that there is an item for the Davis Dam project of $4,500,000——

Mr. FERGUSON. Will the Senator tell me from what he is reading?

Mr. McKELLAR. I am reading from House bill 2632, page 24. It refers to the Davis Dam, the Colorado-Big Thompson project, and the Columbia Basin project. They are mentioned in identical language. It is not an unusual procedure. There is no intention to cover up or to prevent Senators from knowing what it is all about.

Mr. FERGUSON. The Senator is entirely wrong regarding my statement. I read the language, and the language as it comes from the House is identical with the language in the bill now. There is no covering up in the Senate. The House put it into the bill in that language.

Mr. McKELLAR. And we are following it. It is the usual course of the Committee on Appropriations of the Senate. We are not doing anything which is unusual in this matter at all.

Mr. FERGUSON. Of course not. The language is just as it came from the House. There is no complaint about that.

Mr. MILLER. Having come into the Senate a little late, I ask if it is the Senator's view that the bill should be defeated on the ground that it is unconstitutional.

Mr. FERGUSON. Yes; as to the particular appropriation we are discussing.

Mr. MILLER. Is the Senator aware of the provisions contained in the Constitution to the effect that the Government is divided into three cardinal branches, the legislative, executive, and judicial?

Mr. FERGUSON. I am familiar with that.

Mr. MILLER. Is not the Senator asking that we pass upon this question, being a legislative body, in a judicial capacity?

Mr. FERGUSON. No; this is the same question that has arisen before. As I remember, the President of the United States once sent word to a Member of Congress that Congress should pass legislation even though the Members believed it to be unconstitutional, and allow the courts to determine the question of constitutionality. That is not my idea of what a legislator should do. He is supposed not to vote for any measure which he believes to be unconstitutional. We cannot shift the burden of our responsibility to the courts.

Mr. MILLER. In asking that the appropriation be defeated on the ground that it is unconstitutional, is not the Senator asking this legislative body to resolve itself into a court, and pass on the question from that viewpoint?

Mr. FERGUSON. I am asking Senators to perform their functions as legislators, which is not to pass any measure which Senators have reason to believe unconstitutional.

Mr. MILLER. Suppose they do not believe that; if the Senator is asking them to pass on the question as a legal proposition—which the Senator is asking, as I understand his remarks—would that not be making of this body a judicial rather than a legislative body?

Mr. FERGUSON. No; it is merely making it a careful legislative body. I may say to the Senator that, as the law is today, if the junior Senator from Michigan is not able to attach to the bill an amendment to provide for a suit to test the constitutionality of the appropriation, no one will ever be able to test the question of constitutionality. Does the Senator realize that under the case of Frothingham against Mellon and the case of Massachusetts against Mellon, it has been decided that when Congress merely makes an appropriation of money there is no way of testing the constitutionality of the appropriation? If the amendment of the senior Senator from New Hampshire is defeated, I shall later ask that there be attached to the bill a provision giving the right to bring a suit in court, to test the constitutionality of this appropriation. We are finding ourselves now in such a position that, though acts be unconstitutional, if they are appropriations, no one can ever raise the question of constitutionality against the appropriation. That is why we must exercise our constitutional right to see that we pass only constitutional laws and appropriate money only for constitutional purposes.

Mr. DONNELL. Mr. President, will the Senator yield for a question?

Mr. FERGUSON. I yield.

Mr. DONNELL. Were the decisions of the Supreme Court in the cases to which the Senator alluded based on the idea that no person may show sufficient financial interest in the appropriation to constitute such an interest as the courts would recognize?

Mr. FERGUSON. That is correct.

Mr. DONNELL. Is there any precedent of which the Senator knows for the enactment of such a statute as his amendment would make law, authorizing any taxpayer to institute a suit to test the constitutionality of an appropriation bill?

Mr. FERGUSON. I would say that there is no case absolutely on all fours, as we describe it, but I should like to refer the Senator from Missouri to the case of *Associated Industries* v. *Ickes* (134 F. (2d ed.) 694).

Mr. DONNELL. I thank the Senator.

Mr. FERGUSON. I think that is an authority for what the junior Senator from Michigan will attempt to do in his proposal for a constitutional test.

Mr. President, as I said before I think the present appropriation for the New Johnsonville plant is without constitutional authority. I think it is without statutory authority. The junior Senator from Michigan sees in it a dangerous intrusion upon the fields which through its history this Nation has reserved for individual enterprise.

I am not unaware that the character of our Government has changed and will continue to change in response to altered national and international circumstances.

I hope that I will not be thought of as one of those who believe all change is necessarily evil. I believe that change is inevitable, and that change is good where it represents progress within established and proven channels.

But I am deeply concerned by what I see in many directions—the gradual dilution of our economic system under the pressure of expediency and in the guise of dubious constitutional authority.

I do not presently foresee any prospect of death by violence for our free economic, social, and political institutions. Such events are rare in the history of men. But I do see the threat of a creeping paralysis which sets in upon those institutions to strangle them and eventually to bring certain death. That suffocation comes readily at the hands of an expanding state. I fear that process of slow but sure death, and I intend to fight it wherever it is cloaked in an authority which does not exist.

The TVA steam plant in my mind represents such a threat. If we do not stand up and draw a line on the extension of governmental activity such as this steam plant represents, we will some day awaken and find that the entire body of our free-enterprise system has disappeared.

It will not have been gobbled up overnight in one swoop. It will have been devoured by the locusts—one bite at a time.

The Senator from Michigan earlier quoted Harold J. Laski to the able Senator from New Hampshire, and asked him if he had heard of the quotation. I repeat what I said.

None other than Dr. Harold J. Laski, the British Labor Party leader and professor of political science at the University of London, has told us what the Tennessee Valley Authority already means to America. This great experiment of the TVA, he recently told an audience at Howard University, is only one proof that public ownership and the regulation of private enterprise has advanced further in this country than most Americans are normally inclined to imagine.

He added:

A new epoch in American history began in 1933. The old era of unfettered competition will not return unless the institutions of political democracy are overthrown by some catastrophic development.

Mr. President, that was the opinion of a man who has gone through socialism in England. He has been very near to socialism on the Continent. He knows whereof he speaks. We stand in the Senate and say we are doing things in behalf of free enterprise; we give lip service to free enterprise; but as we take one legislative step after another our action is used by the agencies in the executive branch of the Government to claim that we are taking them deliberately for the socialization of American industry. After we take such steps it is very difficult to retrace them.

Mr. President, in America we are accustomed to using precedent. Today on the floor of the Senate we heard the argument made that by reason of the fact that the United States built the Watts Bar plant we have forever waived our right to stop the United States Government from going into private indus-

try. We have heard it said on the floor today that because the United States Government purchased some hydroelectric plants in the Tennessee Valley and there were connected with them certain steam plants, we have given to the United States Government full and complete authority to build steam plants anywhere in the United States.

Mr. President, I hope that when we take legislative steps we know clearly where such steps are leading us. We should determine whether we desire actually to destroy the free enterprise system in America, by taking steps toward socialization such as the provision for building the particular steam plant in question.

Mr. President, if we want to take such a step we should take it consciously. We should take it because as Americans we believe that the socialization of American industry is better for America than the free enterprise system. We should never take such steps in ignorance. It is for that reason I stand upon the floor of this great body today and urge the Senate of the United States to look, to watch, and to beware of the results that may arise if we take the step it is now proposed we should take. I do so in order that we may not go so far down the way of socialism that we will be unable to return. The proposed step is a very serious one. I hope the Senate will deliberate upon it and know where that step will take us.

Mr. President, Senators can say that those who are against taking such a step as is now proposed are representing the power interests. One would think from such statements that it is an evil thing to come before a committee of the United States Senate and represent the free enterprise system of America, and be paid for doing so. One would think it is all-holy for a Government official to come before the United States Senate and advocate socialization. Some seem to feel that one who represents private industry is doing a reprehensible thing, and that the matter of fee determines whether or not the individual is honest in the statement he makes.

As a judge, I have been accustomed to special pleaders. As a Member of this body, I think we need special pleaders before the committees of the United States Senate and the House of Representatives. But after we hear special pleaders we then should deliberate and determine what are the facts. We should determine whether the legislation we are about to pass is constitutional. If there is doubt in our minds respecting its constitutionality, we should not pass a measure.

Mr. President, as I have stated before, the question before us is a serious one. It represents but one step, but the matter which concerns the junior Senator from Michigan is where that step can lead us. That is something which should concern every Senator.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point extracts from past House and Senate proceedings with regard to the Watts Bar steam plant.

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

It has been contended that the Government has built the Watts Bar steam plant—but this plant was for defense purposes. It is not contended that the Government cannot build a steam plant for defense purposes. The question here is, has the Government the right to build a steam plant to generate electricity for commercial sale. The record clearly shows the Watts Bar steam plant was for defense purposes.

The Bureau of the Budget asked for funds to begin building the Watts Bar steam plant to provide for national defense purposes so as to meet the rapidly increasing demands for power from plants engaged in the manufacture of materials and supplies needed for national defense purposes.

[S. Doc. No. 241, 76th Cong., 3d sess.]

SUPPLEMENTAL ESTIMATE OF APPROPRIATION—TENNESSEE VALLEY AUTHORITY

To begin construction of steam electric-generating facilities with a rated capacity of approximately 120,000 kilowatts in the area served by the Authority.

This amount is required to enable the Tennessee Valley Authority to provide, for national defense purposes, additional electric-generating capacity in the area served by the Authority so as to meet the rapidly increasing demands for power from plants engaged in the manufacture of materials and supplies needed for national defense purposes.

House hearings on House Joint Resolution No. 583, Seventy-sixth Congress, third session, indicates that the Watts Bar steam plant was requested completely on the basis of the national defense emergency.

Page 3: "There is complete agreement among those responsible for national defense industrial development that the Tennessee Valley area is one of the important centers for the production of such essential national-defense materials as aluminum and other metals, explosives, phosphorous, and other chemicals, and more recently aircraft. Expension in these directions is under way. A deficiency of power supply is the bottleneck. All existing power installations, both those of the Tennessee Valley Authority and private companies in adjoining territory, are now being taxed to the limit to meet normal demands, and presently scheduled installations will only care for normal growth in demands without regard to the superimposition of the new demands of national defense. This emergency program is therefore necessary for national-defense purposes."

Page 8: "The increase, in our opinion, is justified on the aluminum alone, but almost every day now there is some new national-defense demand for power directed in the region of the Tennessee Valley."

Page 11: "Mr. DUNN. And here am I talking in favor of Government water power. The reason for this is, first, that it is a matter of national defense.

Page 13:

"RELATION OF INCREASED POWER PRODUCTION TO ADDITIONAL DEFENSE-FUND RECOMMENDATIONS

"Mr. WOODRUM. Mr. Dunn, is there any relation between this necessity for increased power and the additional defense recommendations that are presently coming before the Congress? We are advised through the public press that we will probably get a very large additional request for defense items.

"Mr. DUNN. I think, Mr. Chairman, that Mr. Stettinius can answer that.

"Mr. STETTINIUS. Yes; it all is a part of a coordinated whole, in that the plane production, and specifically aluminum, and the powder production that are contemplated to be financed through this approximately $5,000,000,000 request that you will shortly receive, are all part of the program, and are in proper relation to it. The chemical plants, the ammonium and other plants, and the aluminum plants must be served by this power increase."

Page 15: They present this and the President asks us, "Is this a thing that is needed for the national defense?" We go into it sufficiently to find that it is, and we say so most emphatically.

Page 18:

"Mr. LUDLOW. As a member of the committee, I am heartily in favor of this proposition, but if it were not in a time of emergency you would not be in favor of the Government engaging in the power business?

"Mr. STETTINIUS. No, sir.

"Mr. DUNN. Neither would I.

"Mr. STETTINIUS. Mr. Dunn is an expert in the field of power. I am not an expert in the field of power, but I subscribe to everything that Mr. Dunn has said in his testimony."

Page 18:

"SCHEDULE FOR PURCHASE OF EQUIPMENT

"Mr. DUNN. Before I conclude, I would like to mention that in this letter of July 1, from which I have taken the high spots, there is one point bearing on the time required to get this work started, on which I have not dwelt. With these huge expenditures that Congress has been providing for, the industries of the country will be filled with orders. Therefore, it is of the greatest importance, particularly with respect to steam machinery, that the orders for the increased TVA equipment be placed promptly while there is a place for them in the factories. In order to place those orders promptly, negotiated contracts are much more desirable than competitive bidding, because of the long time necessary in providing for competitive bidding."

Page 31:

"Colonel PARKER. Furthermore, I do not think it is going to be possible in this emergency to get the delivery of very much steam-generating equipment. I think that it is going to be a serious difficulty. Do not you agree with that, Mr. Dunn?

"Mr. DUNN. I am sure it will; unless the orders are placed promptly, they will lose their place in rank in the factories.

"Colonel PARKER. Last month we had a quotation from the Westinghouse Co. on a steam-turbo generator, and they gave delivery as 14 months. It has now gone up to 16 months, with the lapse of 2 or 3 weeks, and next month I hesitate to think what it will be. We are right at the point where, if we delay any longer, it is going to be almost impossible to get the steam equipment that we can do this thing with."

The House report states that this appropriation should be viewed and judged solely by its present bearing upon the national defense program.

[H. Rept. 2749, 76th Cong., 3d Sess.]

ADDITIONAL APPROPRIATION, FISCAL YEAR 1941, TENNESSEE VALLEY AUTHORITY TO PROVIDE POWER FACILITIES TO EXPEDITE THE NATIONAL DEFENSE

Mr. TAYLOR, from the Committee on Appropriations, submitted the following report to accompany House Joint Resolution 583:

"The joint resolution carries an appropriation of $25,000,000 in accordance with the Executive recommendation in Senate Document No. 241 of the present session to enable the Tennessee Valley Authority to provide additional electrical generating capacity to meet the present and projected require-

ments for power from plants engaged and to be engaged in the manufacture of materials and supplies for national defense purposes."

Page 2: "There should not be any confusion in the public mind with respect to this proposal for the Tennessee Valley Authority. Irrespective of the present or past views of anyone with respect to the governmental policy involved in the Tennessee Valley Authority Act or the operations thereunder, this appropriation should be viewed and adjudged solely by its present bearing upon the national-defense program."

The House debate on the measure states no other justification than the national defense emergency as a basis for building the Watts Bar steam plant.

CONGRESSIONAL RECORD, House, July 30, 1940, page 9698:

"Mr. Speaker, when members of the Appropriations Committee came before the Committee on Rules on their application for this rule, I raised the query as to whether the bill was business or politics, and I was assured by gentlemen appearing in behalf of securing a rule that it was business and not politics. The reason I made the inquiry was that I know, as every one of you knows, that different agencies of the Government may be expected to take advantage of this demand for national defense to secure legislation that will give them a stronger position in the Government and a larger share of the appropriations that are to be made in behalf of national defense. This very bill that is made in order by the rule happens to be an instance of that kind.

"Mr. Cox. I hope that we may relegate to the rear our general objections to proposals of this kind and may unite in support of this measure, because in uniting we are expressing a concerted desire and determination of giving support to the administration in the effort to strengthen the national defense. There is no politics in this proposal and none should be put in it."

CONGRESSIONAL RECORD, House, July 30, 1940, page 9700:

"Mr. WOODRUM of Virginia. Mr. Chairman, I yield myself 10 minutes.

"Mr. Chairman, the matter presented in this joint resolution is critically necessary for the national-defense program."

CONGRESSIONAL RECORD, House, July 30, 1940, page 9705:

"These projects were the logical, the imperative outgrowth of the Nation's dire need for war materials in the present emergency."

[Hearings before the Subcommittee of the Committee on Appropriations, U. S. Senate, 76th Cong., 3d sess., on S. J. Res. 285, a joint resolution making an additional appropriation for the Tennessee Valley Authority for the fiscal year 1941 to provide facilities to expedite the national defense]

Here in the Senate hearings you will note page 2 that funds for the Watts Bar steam plant had been denied at one time because Senate committee did not believe that it could be justified at that time—probably '39 or '40—on the basis of the national defense. Also note page 3, Senator MCKELLAR'S statement, that he contemplated no further additions to the TVA system with the exception of the building of the Watts Bar steam plant because of the national defense emergency. Herein the witnesses bring out at several different places the fact that this recommendation for building Watts Bar steam plant is made completely on the basis of the national defense.

They are waiting commencement now of another 60,000,000 pounds per annum capacity in Tennessee, which is clearly dependent upon this power expansion that you gentlemen are considering this afternoon.

"REASONS FOR COMMITTEE'S PREVIOUS ADVERSE ACTION

"Senator ADAMS. Mr. Stettinius, I think I can tell you briefly the reasons which led the committee before not to follow the recommendation which you made. We had your letter before us.

"The first reason has no relationship to the national defense, but we have a very distinguished member of this committee who had been the most ardent advocate of the TVA sometime back, when the last appropriation was asked for, who said that he would refuse any request for another dam on the Tennessee River. This distinguished gentleman was somewhat embarrassed, so I am speaking on his behalf.

"Senator MCKELLAR. I want to speak for myself on that. At that time, we were undertaking to get a program completed from Knoxville to the Ohio River so as to make that river navigable all the way. At that time, in order to get that dam through—we didn't expect at that time any war—very naturally, I made the statement that this completed our program, and said that I would never make another suggestion, because we have a lot of power down there that sometime has to be developed. There was nothing like this in contemplation. We did not have this emergency before us.

"But then this emergency came up, and you gentlemen made the recommendation; and I think that this committee ought to hear what you have to say and report this bill favorably in the interest of our national defense.

"And I hope you gentlemen will make such a strong case to this committee for defense that this committee will have to report it out.

"URGENT NEED FOR ADDITIONAL POWER

"Mr. DUNN. I would like to go back, if I may, to the thing that is most on my heart.

"We are in a dangerous situation in regard to the national defense. We need this power. The TVA is the best place in the country to get it now.

"NEED TO CATCH FLOODWATERS IN SPRING OF 1942

"If we don't get this appropriation promptly approved, if there should be a week's delay, we may lose a whole year in getting 180,000 kilowatts of the power.

* * * * *

"Mr. DUNN. No; we may have already delayed too long.

"I do say that if we in the Defense Commission who are charged with this responsibility don't do our duty now and start this thing as promptly as we could, and if you in Congress don't do your duty now and start this thing as soon as you can, and the odds should then go against us in the spring of 1942 before the dam is closed, and if as a result of this the aluminum for those airplanes is not ready the public will hold us responsible, as it will also hold you.

"A week now may mean a loss of a whole year in getting that power available. We may already be too late. But if we are, and you approve this matter, we have both done our best.

* * * * *

"Mr. DUNN. My answer to that is that unless we order the steam right away we may be too late for the steam also. The steam manufacturers of turbines, generators, and boilers are already nearly full of orders, and unless we place the orders for the steam equipment promptly we are not going to be able to get deliveries in time. It is even possible that the steam plant would take longer to build than the dam.

"Senator MCKELLAR. We just voted for two gentlemen as members of the Cabinet. It was done in the interest of national defense. You are making this recommendation in the interest of national defense?

"Mr. DUNN. Absolutely.

"Senator ADAMS. And you are not making the recommendation on any other basis?

"Mr. DUNN. None whatever.

"Senator MCKELLAR. To sum up, you think that it is absolutely necessary in the national defense to pass a resolution like that so that this work can be done as soon as possible?

"Mr. DUNN. Senator, I could not sleep nights unless I had discharged my responsibility and had told this committee that it is my thorough conviction that they should approve this measure. If this is delayed even by a week, or even if it is not delayed at all, I should hate 2 years from now to see that spring flood fail to fill the reservoir. The public would say, 'Those fellows were slow about this thing. It was presented on June 14, and they didn't act on it until July 10.'

"Now we may not miss it, and I don't think we will if we start right away. But the time that the floods come is an act of God and cannot be determined exactly in advance. Therefore we should do everything in our power to discharge our responsibility; not to miss it."

In the Senate debate Senator MCKELLAR states categorically that the Watts Bar steam plant was needed for national defense.

CONGRESSIONAL RECORD, Senate, July 30, 1940, page 9687:

"Mr. TYDINGS. In other words, unless the action proposed in the joint resolution shall be taken, there will be no other place where they can get adequate power to operate this plant as it is desired that it be operated?

"Mr. MCKELLAR. For the best interest of national defense.

"Mr. TYDINGS. Is that correct?

"Mr. MCKELLAR. That is a correct statement.

"Mr. TYDINGS. There is no other way by which they can get the power except by building these two dams in order to furnish it?

"Mr. MCKELLAR. One dam and one steam plant. That is what the engineers testified."

Mr. FERGUSON. Mr. President, I also ask to have printed in the RECORD the argument that the TVA Act as amended does not purport to authorize TVA to construct steam-generating plants. The matter referred to appears in the Senate Committee on Appropriations hearings on the first deficiency appropriation bill for 1949, beginning on page 237 and ending on page 249.

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

L. THE TVA ACT, AS AMENDED, DOES NOT PURPORT TO AUTHORIZE THE TVA TO CONSTRUCT STEAM-GENERATING PLANTS

Whether the TVA Act purports to authorize TVA to construct steam plants is not important upon the question of constitutional authority; for if the Congress does not have constitutional authority to grant such power to TVA, an ostensible grant of that power in the present TVA Act could not supply a constitutional basis for the requested appropriation. However, this question of statutory construction has importance in another aspect. This is an appropriations committee. If the TVA Act does not authorize the Tennessee Valley Authority to construct steam plants in the Tennessee watershed, it would seem that an appropriations committee would not have authority to deal with an appropriation of money for that purpose whatever may be the constitutional authority of the Congress under its legislative powers.

Some of the proponents of the TVA New Johnsonville steam plant seemingly recognize the absence of authority under the

TVA Act to provide for its construction simply by an appropriation, inasmuch as two bills were introduced in the first session of the Eighty-first Congress; namely, Senate Joint Resolution 1 by Mr. McKellar on January 5 and S. 177 by Mr. Kefauver on January 5—to grant direct authority for the proposed construction. Be that as it may, the TVA Act, when fairly construed, does not support the TVA claim of ostensible statutory authority to construct steam plants in the Tennessee watershed.

The TVA claim of ostensible statutory authority for construction of steam plants, so far as material, must be examined in the light of certain well-settled rules of statutory construction. Words, phrases, clauses, or sections of a statute may not be construed in vacuo but only in relation to the context in which, and the subject matter with respect to which, they are used; the declared purposes of the enacting legislature; and the powers which the enacting legislature possesses or purports to exercise (*Brown* v. *Duchesne*, 19 How. 183, 194; *Pollard* v. *Bailey*, 20 Wall. 520, 525; *Costanzo* v. *Tillinghast*, 287 U. S. 341, 345; *Helvering* v. *Trust Co.*, 292 U. S. 455, 464; *Atlantic Cleaners & Dyers* v. *United States*, 286 U. S. 427, 433–4). In particular Federal agencies possess only such powers as are clearly delegated to them either expressly or by necessary implication; and a grant of authority to them, particularly of a sweeping character, "is not to be presumed or implied from any doubtful and uncertain language" (*I. C. C.* v. *Ry. Co.*, 167 U. S. 479, 505; *United States* v. *Chicago, etc., R. Co.*, 282 U. S. 311, 324). Another pertinent canon of construction is that a statute should be construed "so as to avoid not only the conclusion that it is unconstitutional but also grave doubts upon that score" (*I. C. C.* v. *Oregon-Washington R. & N. Co.*, 288 U. S. 14, 40).

The declared purposes of the TVA Act are found in section 1 (16 U. S. C. 831). Apart from the maintenance and operation of the national defense facilities at Muscle Shoals not here involved, the sole declared purpose is to provide navigation and flood-control improvements; and the sole constitutional power invoked is the commerce power. But navigation and flood-control improvements cannot incidentally or otherwise produce any type of energy or power except water power; and the exercise of the commerce power cannot involve or result in the creation of energy or power of any kind except insofar as water power may be incidentally created by navigation improvements. The entire act must be construed in the light of this declared purpose and of the nature of the constitutional power invoked; and both negative any intent to authorize construction of powerhouses other than for the conversion of water power into electric energy.[1]

All the provisions of the act dealing with the generation and sale of electricity are plainly incidental and subordinate to this purpose and related to the generation and disposal of electricity produced solely from surplus water power incidentally created by navigation improvements. By section 5 (1) the TVA is authorized "to produce, distribute, and sell electric power" only as "herein particularly specified." By section 9a the TVA is limited to providing and operating "facilities for the generation of electric energy at any such [navigation and flood control] dam * * * in order to avoid the waste of water power" and to transmit and market power so generated, to wit, surplus power generated to prevent waste of water power. By section 23, the utmost production of electrical energy under the act is limited to such production as would be "consistent with flood control and navigation."

All of the sections of the act dealing with the sale and distribution of electrical energy are limited to the disposal of "surplus power" and preference is provided for public customers because the energy to be disposed of by TVA is only "surplus power" and therefore limited in quantity. Sections 10, 11, 12, 12a, 14, 24. Manifestly, either Congress purported to authorize TVA to construct steam plants without limit anywhere in the Tennessee watershed or it did not authorize TVA to construct steam plants at all. But, if Congress had intended to authorize construction of steam plants anywhere in the Tennessee watershed, no question of surplus power or need for priorities would have existed; for obviously there is no limit upon the quantity of power which could be generated by steam in the Tennessee watershed.

Other clauses of the act demonstrate by necessary implication that the Congress contemplated and intended that TVA could construct only hydroelectric plants. Thus section 4 (k) (c), and authorizing the TVA Board to transfer real estate of the Authority to any other governmental department or agency, specifically provides that no land should be transferred upon which "there is located any permanent dam, hydroelectric power plant, or munitions plant heretofore or hereafter built by or for the United States or for the Authority," with the exception of Nitrate Plant No. 1 and Waco quarry. Had Congress contemplated or intended that TVA might construct steam plants as part of the TVA power system, it is incredible that a like restriction would not have been placed upon the transfer of such plants.

Under section 12 (a) TVA is authorized to extend credit to preferred customers "in order to facilitate the distribution of surplus power" only when such customers should be "situated within transmission distance from any dam where such power is generated." This language is consistent only with the obvious congressional purpose to provide only for the generation and sale of hydroelectric energy incidentally produced by navigation structures.

Although Congress was turning over to the TVA the steam plants which had been constructed at Muscle Shoals under the National Defense Act of 1916 (sec. 7), Congress deemed it necessary expressly to grant TVA authority to complete the steam plant at nitrate plant No. 2 (sec. 16). Manifestly, if Congress had intended, or understood, that it was granting to TVA authority to construct steam plants anywhere in the Tennessee Valley, it is inconceivable that Congress would have deemed it necessary or appropriate to include this express and special grant in the act.

Section 19 gives TVA access to the United States Patent Office files to enable it to employ the most efficacious and economical process for the production of fixed nitrogen, or fertilizer, "or any method of improving and cheapening the production of hydroelectric power." Significantly there is no reference to methods for improving and cheapening the production of steam power.

All of these foregoing provisions are wholly inconsistent with any other construction of the act than that the authority of TVA is limited to constructing and operating hydroelectric plants to convert into electric energy water power incidentally created by navigation structures in accordance with the declared purpose of the Congress in section 1 of the act.

Thus in *TEP Co.* v. *TVA* (21 F. S. 947, 959), the Court, after reviewing the foregoing sections of the act, including section 4 (j) upon which TVA presently relies, said:

"Under the statute, therefore, the generation of electric energy is specifically required to be incidental to the exercise of constitutional powers under the interstate-commerce clause, * * *."

It is significant to note the construction of TVA's statutory authority to generate and dispose of electricity, which was stated on behalf of TVA in the hearings before the Joint Committee on the Investigation of the Tennessee Valley Authority (75th Cong., 3d sess., December 1938). In that hearing Mr. J. A. Krug testified (hearings, 5199):

"Turning to the first of these, I should like to remind the committee that the general limitations under which the TVA power program was inaugurated were outlined by Congress. The Authority has a definite congressional mandate to follow in developing the power program. The act itself outlined the policies to be followed in utilizing the electric power created by the Authority's flood-control and navigation structures.

"The Board was authorized to install hydrogenerating equipment at the dams and directed to sell the surplus power so produced for the benefit of the public, and to assist in liquidating the cost of the development.

"I might call attention to the following provisions of the TVA Act" (quoting in part from secs. 9a and 10).

Subsequently, in comparing the problems of TVA in production, marketing, and rates with those of private power companies, Mr. Krug testified (hearings 5243):

"Now, the position of the TVA, I think, is entirely different. Under the terms of our act our power supply is controlled by our navigation and flood-control program. We must, therefore, try to develop a market which will fit into that program of construction for flood control and navigation, in that our power-generating facilities are limited to what can be included in those structures."

Unable to cite any express statutory authority for the construction of steam plants, the TVA opinions referred to above seek to imply such authority from a few isolated words and phrases in certain sections of the act considered in vacuo without regard for the context in which, or the subject with respect to which, they are used. Even if it were permissible, as it is not, to construe these sections without regard to the controlling considerations hereinbefore cited, they fall far short of a grant of such authority.

Thus section 4 (f) merely authorizes TVA to purchase or lease and hold real estate and personal property. Section 4 (i) merely au-

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[1] TVA advances the curious argument that the foregoing construction of section 1 is fallacious because opponents conceed that TVA may generate and sell hydroelectric power; and "section 1 does not refer specifically to the generation of hydroelectric power any more than to steam power." Senate subcommittee hearings, 296. The argument is more disingenuous than ingenious. The purpose of constructing the dams and reservoirs authorized by the act was not to create hydroelectric power. Nevertheless, the inescapable consequence of concentrating the fall of the streams and impounding their waters behind dams constructed for navigation improvement in the exercise of the commerce power would be to create raw water power; and since this raw water power would become the property of the United States, it was constitutional and appropriate for the Congress to provide in the act for its conversion into electrical energy and the sale of that energy in the disposition of the Federal property which would be thus incidentally but inescapably acquired. On the other hand, the construction of these navigation improvements in the exercise of the commerce power could not, incidentally or otherwise, result in the acquisition of any steam power by the United States. Indeed, if the Congress had declared that an independent purpose of the TVA Act was to create even hydroelectric power, the TVA Act would have been plainly unconstitutional upon that ground alone. (See secs. II–A, B, infra.)

thorizes TVA to acquire real estate, by purchase or condemnation, for the construction of various structures. Plainly these sections do not authorize the construction of anything and the powers thereby granted can be exercised only for purposes expressly authorized in other sections of the act.

TVA relies principally upon section 4 (j), which reads:

"Shall have power to construct such dams, and reservoirs, in the Tennessee River and its tributaries, as in conjunction with Wilson Dam, and Norris, Wheeler, and Pickwick Landing Dams, now under construction, will provide a 9-foot channel in the said river and maintain a water supply for the same from Knoxville to its mouth, and will best serve to promote navigation on the Tennessee River and its tributaries and control destructive flood waters in the Tennessee and Mississippi River drainage basins; and shall have power to acquire or construct power houses, power structures, transmission lines, navigation projects, and incidental works in the Tennessee River and its tributaries, and to unite the various power installations into one or more systems by transmission lines. The directors of the Authority are hereby directed to report to Congress their recommendations not later than April 1, 1936, for the unified development of the Tennessee River system."

Plainly section 4 (j) merely authorizes TVA to construct projects necessary to improve navigation and to control floods and to construct other incidental structures including power houses. Power houses were necessary to convert into electrical energy the raw water power incidentally created by the navigation improvements; and plainly the words are used in that sense in section 4 (j).

TVA in its supplemental statement seeks to avoid this result by arguing that section 4 (j) as originally enacted did not include the present first clause (said to be wholly the result of the 1935 amendments) but only the present second clause and that consequently, the second clause cannot be construed as incidental to the first clause. This argument is plainly unsound for several reasons:

First. We are here dealing with the statutory authority of TVA under the act as it now exists.

Second. The inescapable conclusion that this section refers only to hydro-generating plants is compelled by many other provisions of the act as hereinbefore shown.

Third. Original section 4 (j) did not include either the first or second so-called clause of present section 4 (j). Instead, present section 4 (j) is, with respect to both so-called clauses, an amplification of original section 4 (j) which, even considered alone, would require the same construction. Section 4 (j) as enacted in 1933 read:

"(j) Shall have power to construct dams, reservoirs, power houses, power structures, transmission lines, navigation projects, and incidental works in the Tennessee River and its tributaries, and to unite the various power installations into one or more systems by transmission lines" (48 Stat. 61).

Plainly, the dams, reservoirs and navigation projects were navigation and flood-control improvements which would necessarily create raw-water power. Power houses were equally necessary to convert this raw-water power into electrical energy and it is clear that this was the sense and meaning of the word "powerhouses" in section 4 (j) as originally enacted.

Section 14 merely provides for allocation of costs; and manifestly no power to construct projects not otherwise authorized under the act may be implied from that section. The reference to allocation of costs of steam plants is explained by those which had been constructed in part or in whole at Muscle Shoals during World War I and were being turned over to TVA (secs. 7, 16) and the possibility that the Congress might subsequently authorize other steam plants for some constructional purpose such as national defense, which, in the words of the last sentence of the first paragraph of section 14, might also be "turned over to said Board for the purposes of control and management." TVA futilely seeks to escape the foregoing conclusion by asserting that the foregoing language referred to the allocation of costs of Cove Creek (Norris) Dam. However, since the first sentence of section 14 expressly refers to allocating the costs of Cove Creek Dam, the last sentence of the first paragraph of this section manifestly could not have been intended to refer to that dam.

While section 15 originally authorized TVA to issue bonds in an amount not exceeding $50,000,000 for the construction of any future dam, steam plant, or other facilities it is quite clear that Congress intended this power to be exercised only for the construction of certain dams and completion and preservation of the Muscle Shoals defense plants, including their steam-generating facilities (H. Rept. No. 48, 73d Cong., 1st sess. pp. 8–9). See also TVA Act, sections 7, 16. In any event, any effort to imply authority for construction of steam plants from this section is foreclosed by the amendment of July 26, 1939, under which the Congress forbade TVA to issue any bonds under this section after that date. Section 15 (b).

Nor does section 31, to which a belated reference is first made in the TVA supplemental statement, lend any support to the TVA position. That section provides that the act shall be liberally construed "to carry out the purposes of Congress to provide for the disposition of and make needful rules and regulations respecting Government properties entrusted to the Authority, provide for the national defense, improve navigation, control destructive floods, and promote interstate commerce and the general welfare" (Senate subcommittee hearings, p. 296). Section 31 did not become part of the act until the 1935 amendments.

As used in section 31 "national defense" plainly relates to the national defense facilities at Muscle Shoals not here involved. And the words "improve navigation, control destructive floods, and promote interstate commerce" plainly and consistently relate to the second purpose declared in section 1 of the act to provide navigation and flood-control improvements under the interstate commerce power. The language with respect to disposal of Government property plainly and consistently refers to the water power which would be incidentally but inescapably created by the foregoing navigation improvements. It would be unthinkable that a mere statutory rule of construction, plainly applicable to the disposition of Government property thus incidentally and inevitably but constitutionally acquired, could be construed as an implied assertion of a much broader constitutional authority never before claimed by the Congress. While Congress presumably exercises all of the delegated powers for the "general welfare," it cannot be supposed that TVA intends to assert that Congress was claiming an independent power to legislate for the general welfare or that any such power exists in our Government of limited and delegated powers.

Thus, when considered alone, the sections cited by TVA, both individually and collectively, fall far short of granting authority to TVA to construct steam plants anywhere in the Tennessee watershed; but any such construction, were it otherwise permissible, is foreclosed by the congressional declaration of purpose, the constitutional power invoked by the Congress, and the other provisions of the act hereinbefore cited.

Indeed, although TVA is now claiming statutory authority to construct steam plants anywhere in the Tennessee watershed, TVA, in its verified answer in *TEP Co.* v. *TVA* (21 F. Supp. 947) expressly denied that it had authority even to construct hydro plants except where the dams would improve navigation or flood control, and alleged:

"* * * There are numerous sites upon the Tennessee River system which are valuable for the development of power, but dams constructed at such sites would not contribute substantially to the improvement of navigation or the control of destructive floods, although their construction would be more feasible for the development of power than any of the dams constructed, under construction, or recommended for construction by the Authority; but the Authority has not constructed or recommended for construction and has no intention and no authority under the Tennessee Valley Act to construct such dams."

* * * * *

"The defendant, Tennessee Valley Authority, has disposed of and will dispose of only such electric energy as is generated from water power inevitably created by the operation of the said dams for navigation and flood control and which is not needed for governmental purposes and which would otherwise be wasted."

On the previous hearings much was sought to be made of a quotation from paragraph XIII of the complaint in *TEP Co.* v. *TVA* (21 F. Supp. 947) in which it was alleged, among other things, that TVA claimed authority to generate electricity by steam as well as by hydro. Apart from the obvious fact that lawyers employer to test the scope and constitutionality of a statute naturally raise every possible question for decision and that no issue of steam plants was thereafter raised, argued, or adjudicated in the litigation, it is interesting to note that TVA in paragraph 13 of its answer categorically denied the allegations quoted in the TVA supplemental statement. In its answer, TVA said:

"The defendants are informed that the allegations of section XIII of said bill of complaint are conclusions of law and argumentative statements which they are not required to answer, but if construed to be allegations of fact deny every allegation thereof."

Mr. BRIDGES. Mr. President, may we have a vote on my amendment? When the time comes for a vote on the amendment I shall ask for the yeas and nays.

Mr. DONNELL. Mr. President, will the Senator yield for a question?

Mr. BRIDGES. I yield.

Mr. DONNELL. Does the Senator from New Hampshire desire a vote on his amendment this evening? I wish to say to him that I desire to be heard for possibly 30 minutes, and so stated to the Senator from Michigan a while ago. I know of one other Senator who desires to be heard more briefly than that. I was about to suggest the absence of a quorum, but if it is the intention of the majority leader to recess soon I shall not do so.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield.

Mr. LUCAS. It is my understanding that the able Senator from Missouri desires to discuss the constitutionality of the question which is involved in the amendment offered by the Senator from Michigan [Mr. FERGUSON].

Mr. DONNELL. That is correct.

Mr. LUCAS. The question before the Senate has nothing to do with that at all, as I understand.

Mr. DONNELL. No.

Mr. LUCAS. The amendment of the Senator from New Hampshire deals with an entirely different matter. If the Senate could vote on that amendment we could probably take a recess.

Mr. DONNELL. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield.

Mr. DONNELL. It was not my intention to confine my remarks or probably even to address them to the proposal of the Senator from Michigan with respect to authorizing a taxpayer to file suit. It was my intention to address myself to certain of the points which have been made, as to whether or not the appropriation would be constitutional. Therefore, I think it would have a direct bearing on the amendment submitted by the Senator from New Hampshire.

Mr. HILL. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield.

Mr. HILL. I wanted to say a few words. There are certain matters which I think should be placed in the RECORD. I believe I would not require more than 10 minutes.

Mr. BRIDGES. Mr. President, in view of the remarks made by the Senator [Mr. DONNELL] and the majority leader, I do not know whether a vote can be had on my amendment tonight. There are several Senators who wish to speak on the amendment. I do not know how long the majority leader intends to hold the Senate in session tonight.

Mr. LUCAS. I may say to the able Senator from New Hampshire that it is my hope that we can take a recess around 6 o'clock. That is what I announced earlier in the afternoon. I should like to have the Senate vote on the amendment of the Senator from New Hampshire before a recess is taken. Then we can perhaps take up tomorrow the amendment offered by the distinguished Senator from Michigan. Of course, if a vote cannot be had on the amendment offered by the Senator from New Hampshire both amendments will have to go over for action tomorrow. It seems to me, however, the Senate can vote on the amendment offered by the Senator from New Hampshire.

Mr. DONNELL. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield.

Mr. DONNELL. Would the Senator from New Hampshire object to a quorum call? I may say that I know of one Senator who desires to have as many Senators as possible present when he speaks. I am not speaking for myself personally. I am speaking for another Senator. He spoke to me and said he wished to have a quorum call before he spoke. I make the suggestion in good faith, as I would not wish to relinquish the right to suggest the absence of a quorum if the Senator in question desires to proceed this afternoon.

Mr. HILL. Mr. President, will the Senator from New Hampshire yield?

Mr. BRIDGES. I yield.

Mr. HILL. Perhaps the Senator would yield to me to speak for about 10 or 15 minutes now. I believe I know the Senator to whom the Senator from Missouri has reference. I believe he will be back on the floor in a few minutes. I certainly have no disposition to deny to the Senator to whom the Senator from Missouri refers the opportunity to speak this afternoon if he so desires. He advised me he wanted about 5 minutes, and that he would return to the Senate Chamber shortly.

Mr. DONNELL. The Senator from Alabama is speaking about the other Senator to whom I referred?

Mr. HILL. Yes; the other Senator to whom the Senator from Missouri referred.

Mr. DONNELL. Mr. President, will the Senator yield for a further question?

Mr. BRIDGES. I yield.

Mr. DONNELL. Would it meet with the convenience and approval of the Senator from New Hampshire if the matter were to be handled in this way, namely, that the Senator from Alabama may speak, while we are awaiting the return of the other Senator to whom reference has been made, and that the other Senator may then speak, and then if it be not too late, that I may speak, but if it be too late I will defer making my statement until tomorrow? I have not the slightest desire to delay a vote, but I do wish to be heard on the constitutionality of the proposed appropriation.

Mr. LUCAS. Mr. President, may I inquire from the able Senator from Missouri how long he expects to speak?

Mr. DONNELL. Approximately 20 or 30 minutes.

Mr. LUCAS. We might be able to reach a vote on the amendment at 6 o'clock.

Mr. BRIDGES. Mr. President, in that case I yield the floor, if there are other speeches to be made on the amendment.

Mr. HILL. Mr. President, with all due respect to my able friend the able Senator from Michigan [Mr. FERGUSON], and all that he said in his concluding remarks, I think the RECORD will show that time and time again reference has been made to TVA and its relation to our private enterprise system. Time and again it has been argued that TVA would be inimical to our private enterprise system. That was the burden of the argument when the bill was originally introduced to create it. There has been hardly a session of Congress when we have not had a fight over some phase of TVA or some appropriation for TVA, in which that argument has been made. We might not have had the answer to that argument when it was first made. I think we have the answer now, in the record of TVA.

I recall that when Mr. W. L. Batt, vice chairman of the War Production Board, came to Washington to take office he declared that he could not see TVA with a telescope. But after he had been in office for a short time he realized that but for the power and production which that power made possible in the Tennessee Valley, we could not have our great war program, which brought the war to a successful conclusion in a reasonable time.

Certainly nothing has ever come into the Tennessee Valley which has done so much for the promotion, development, and stimulation of private enterprise as has the Tennessee Valley Authority. The Tennessee Valley Authority has not brought industries or plants of private industry into the Tennessee Valley from other sections, but it has been a tremendous source of stimulation and development of industry indigenous to the Valley, through the development, processing, and manufacturing of raw products and resources in the Valley. So the Tennessee Valley Authority has been a mighty contributor, first to the saving of the American free-enterprise system in World War II, and second, to the encouragement, stimulation, and development of that system.

Mr. President, I do not wish to delay the Senate more than a few minutes. There is nothing new about steam plants so far as the Tennessee Valley Authority is concerned. The Authority has bought steam plants; it has built steam plants; it has operated steam plants; it has maintained steam plants; in fact, the Tennessee Valley Authority now owns, maintains, and operates approximately 10 steam plants in the Tennessee Valley.

The Tennessee Valley Authority acquired some of those steam plants when it purchased the properties of the Tennessee Power Co. The Tennessee Power Co. had built some of the steam plants as integral parts of its power system.

We know that certainly as far as the southeastern section of the United States is concerned, we have a varying degree of rainfall. The precipitation varies in different seasons. Usually we have a great deal of rain in the spring and early summer, and very little in the late summer and fall. Consequently there is a uneven flow of water in our rivers. At some periods we have a great deal more water power at our dams than at other periods of the year. Therefore wise, businesslike, and economical operation dictated to the Tennessee Power Co. and to the other power companies in the southeastern section, and now dictates to the Tennessee Valley Authority, that steam plants be bought or built to firm up the power. As we know, most consumers of power can use power only if it be what we call firm power, that is, dependable power, power which is available the year round, every day of every week of every month of the year.

During times of high water in certain seasons of the year, the power which comes from such high water can be sold only as dump or secondary power unless there is a steam plant to compensate for the power which is not available in the dry seasons of the year. So what TVA is doing is simply asking that the investment which the Government has in the Tennessee Valley Authority, in the dams and hydroelectric properties, may be used in the most economical, wise, and businesslike manner by having the power firmed up so as to be salable the year round, bringing a much better return to the Treasury and to the taxpayers of the United States. That is all

that is involved. The proposed steam plant is an integral and necessary part of the TVA power system if the TVA power system is to be operated on an economical and businesslike basis.

By building this steam plant we shall firm up and add to our system approximately 3,000,000,000 kilowatt-hours of power a year. As Mr. Clapp testified before the Senate committee, reading from the hearings at page 197:

> The New Johnsonville steam plant, by firming up additional portions of the power available from the hydro plants of the TVA system, will make possible an increase in firm power of about 3,000,000,000 kilowatt-hours a year. To do this, it will be necessary to operate the New Johnsonville plant about one-third of the time, generally at full load, in addition to the present use of the existing TVA steam plants, to supplement the seasonal secondary hydro generation.

The Tennessee Power Co. owned most of these properties before the Government purchased them in 1939. Of course, the Tennessee Valley Authority could not purchase the Tennessee Power Co. properties without authority from Congress. Congress passed the necessary legislation for the purchase of the properties.

At that time approximately one-third of the generating capacity of the region was in steam plants. Due to the rapid construction of hydro plants, only partially offset by new steam capacity, the proportion has dropped until at the present time it is about one-sixth. At the end of 1951 the steam capacity in the Tennessee Valley will be only 13 percent of the total if we do not build the New Johnsonville plant. With the New Johnsonville plant constructed, it will be only 20 percent by 1952.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. HILL. I yield.

Mr. LUCAS. I wish to ask several questions of the able Senator, who probably is as familiar with the Tennessee Valley Authority as is any other Member of the Senate.

First, I should like to ask this question: Is it not a fact that most of the arguments made against the power plant here proposed overlook the fact that the TVA is the sole supplier of electric power in a large area in the United States?

Mr. HILL. Mr. President, the Senator from Illinois is entirely correct about that. Let me amplify on that point for a moment. It was recognized by the Tennessee Power Co., the Alabama Power Co., and the other private power companies operating in that section of the country that when the Tennessee Valley Authority bought the Tennessee Power Co.'s property—of course, the Government bought it by mutual arrangement and mutual agreement; there was no condemnation or anything of that kind, but the Government bought those properties by negotiation—the Government of the United States, through the TVA, would be the only and sole generator of electric power in that area. There is no other generator of electric power in that area. All the plants, the factories and corporations, the municipalities and the Government agencies in that area—and when I speak of Government agencies, I speak of national-defense plants, such as the Oak Ridge atomic-energy plant and the great chemical plant at Huntsville, Ala., and the ordnance plant in that valley—all those great plants are solely and entirely dependent upon TVA for their power. There is no other source of power there.

Mr. LUCAS. Mr. President, will the Senator yield on that point?

Mr. HILL. Yes.

Mr. LUCAS. Is it not a fact that the Tennessee Valley Authority became the sole supplier at the insistence of the private utilities, who wanted to get out of the Tennessee Valley?

Mr. HILL. The Senator from Illinois is entirely correct, Mr. President. The private power companies wanted to get out of that area. Let me say that, as the Senator knows, at the time when the Government bought the Tennessee Electric Power Co.'s properties, Mr. Wendell Willkie was the head of the Commonwealth and Southern Co., which owned the Tennessee Electric Power Co. Mr. Wendell Willkie represented the Tennessee Electric Power Co. in all the negotiations and in the sale of the Tennessee Electric Power Co.'s properties to the Government. Although we may not always have agreed with him on political matters, certainly no one ever questioned his great ability as a utility magnate; and this is what he said when testifying before the House committee in regard to the legislation to authorize the purchase of the Tennessee Electric Power Co.'s properties:

> I know not a man that is a man of any thought, whether he believed in the public operation of power or in the private operation of power, but who does not also believe that it should be noncompetitive. Something has been said here about monopolies. Now, I know not the distinction between public and private monopoly; but I do know, as any student of the utility business knows, that it is a natural monopoly, and should be such, whether in public or in private hands; and the man who represents the public agency and sits here and pleads for it to be a public monopoly, is absolutely right.

In other words, Mr. President, it was demonstrated there, that, as we know, it is not possible or feasible to have TVA transmission lines and then have parallel to them private power company transmission lines. Either the Government had to get entirely out of that area, so far as the development of power was concerned, or the private power companies had to get out of the area. They negotiated. The Government bought the private power companies. The Government not only has the monopoly, but it also has sole responsibility for the generation of power there. It is the only source of power to which the municipalities, the REA, the private factories, or the Government activities there can look.

Mr. LUCAS. Mr. President, will the Senator yield further at this point?

Mr. HILL. I yield.

Mr. LUCAS. Does the Senator from Alabama agree with me that the steam power plant now under discussion is essential to the efficient operation of the hydroelectric facilities of the Tennessee Valley Authority?

Mr. HILL. The Senator from Illinois is 100 percent correct, Mr. President. Not to build the steam power plant would be simply to put our approval upon waste. Any businesslike operation there, any economical operation, any efficient operation, absolutely requires the construction of the steam plant. I said earlier today that the building of that plant is no exception to normal or customary operations. The Alabama Power Co., which is directly south of the TVA, in my State of Alabama—and incidentally, it supplies most of the power for my State, as we know—just finished the other day a steam power plant at Mobile, Ala., and it has under construction a steam power plant at Gadsden, Ala. It is doing absolutely the same thing that is anticipated in connection with the proposal now before us.

Mr. LUCAS. Mr. President, the Senator from Alabama has anticipated what I intended to ask as my next question, namely, whether any private power company would be building a steam plant of this kind to assure the constant flow of its power.

Mr. HILL. Mr. President, every private power company I know of is doing that very thing, of course. The Senator from Illinois knows that if power is available only half the time or even two-thirds of the time, it cannot be sold at the same price at which power which is available all year around can be sold. Power which is available only a part of the time must be sold as what is called "dump" power. But by building a steam plant, assurance is given that the power will be available all year around, because when the hydroelectric power is no longer available—for instance, let us say, at the end of the ninth month of the year—then the steam plant is fired up, and the necessary power is obtained in that way.

Mr. LUCAS. In other words, by building the steam plant at New Johnsonville, Tenn., we shall be doing the same thing that good business would do in a similar case. Is not that correct?

Mr. HILL. Yes; not only shall we be doing what good business would do, but we shall be doing what good business is doing throughout the country.

In speaking of that point, I say to the Senator from Illinois that if there is one section of the United States where good business and also the national defense dictate that the production of power be stepped up, it is in the southeastern section of the United States. When we began our national-defense program in 1940, there was a 25-percent surplus of electric energy in the United States. The National Security Resources Board had made some 10 months ago, as the Senator from Tennessee no doubt recalls, a study which shows that now there is no surplus of electric energy in this country. It was that fact which compelled the National Security Resources Board, under the chairmanship of Mr. Arthur Hill, to recommend the construction of this very New Johnsonville steam plant.

Mr. LUCAS. Mr. President, will the Senator yield for a further question?

Mr. HILL. Certainly.

Mr. LUCAS. In connection with this debate, much has been said with respect to national defense; but apparently very little was said about it in the hearings, as we see upon examining the printed testimony. That is something I cannot understand.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. HILL. I yield.

Mr. FERGUSON. I think I can clear up that point. I find nothing in the record of the hearings, this year, about national defense.

Mr. LUCAS. That is what I was saying.

Mr. MAYBANK. Mr. President, will the Senator from Alabama yield to me, in that connection?

Mr. HILL. Yes; I yield to my friend the Senator from South Carolina.

Mr. MAYBANK. I can say that in the Appropriations Committee hearings held during the war, many references to national defense can be found, because it was necessary to transfer electric power from the Duke Power Co., in South Carolina, across the mountains, in order to keep the TVA going. The records will show that fact.

Mr. LUCAS. That was during the war.

Mr. MAYBANK. Yes.

Mr. FERGUSON. We are speaking of the recent hearings held in connection with the present deficiency appropriation bill.

Mr. HILL. Mr. President, in speaking of the national defense—and I shall come to that point—let me say there was some discussion in the House committee about the atomic energy plant at Oak Ridge, and that discussion is referred to at page 21 of the House committee hearings, but unfortunately it was not included in the record; that discussion was off the record.

But if the Senator will bear with me, perhaps I may advert at this time, inasmuch as we are discussing the national defense, to even more recent testimony than that. I have before me a copy of the hearings on the independent offices appropriation bill for the fiscal year 1950. That bill carries the regular appropriations for the Tennessee Valley Authority. These hearings were released only yesterday, when they came to us from the printer. This is the latest word, because that was the last appearance by anyone on any TVA item, before any committee of the Congress of the United States.

I turn to page 750, and there I find a discussion of the New Johnsonville steam plant. Mr. Clapp, who, as we know, is Chairman of the Board of TVA, made this statement:

Mr. CLAPP. I should make one other comment. The justification for this steam plant, as we have explained in several hearings, rests upon conservatively estimated power requirements under normal peacetime conditions. We now know that in addition to the requirements of our normal customer load, as we have estimated it, more is going to be expected of us with respect to the Oak Ridge atomic energy plant. They are planning an expansion, and they are counting on us to be able to meet their additional power requirements.

Then Representative GORE of Tennessee, a member of the subcommittee, spoke as follows:

For your information, the committee has had before it the Atomic Energy Commission, and the general manager of the AEC was questioned about this. We were told by him, on the record and off the record, about the magnitude—

"About the magnitude." I want the Senator from Illinois to hear this, and the Senator from New Hampshire, too—

about the magnitude of the new program at Oak Ridge, plant K–29 and other conditions, and the need and demand for additional power which would result therefrom. We were told further by Mr. Wilson that the AEC—

That is the Atomic Energy Commission—

had at first requested the Budget Bureau for approval of a request of this committee for an appropriation for a steam generating plant, but that it was now not making that request but depending upon the New Johnsonville steam plant as an addition to TVA which would enable TVA to serve the power needs. I give you that for your information in order that it might not be necessary to duplicate in your testimony.

Mr. LUCAS rose.

Mr. HILL. I shall yield to the Senator in a moment. I have here a copy of a letter. It is authentic. It was sent to me by Mr. Clapp, of the TVA. It is a letter from the Atomic Energy Commission to the Tennessee Valley Authority. It is on the letterhead of the United States Atomic Energy Commission, Oak Ridge, Tenn., and is dated January 7, 1949. It reads:

UNITED STATES ATOMIC
ENERGY COMMISSION,
Oak Ridge, Tenn., January 7, 1949.
TENNESSEE VALLEY AUTHORITY,
Chattanooga, Tenn.
(Attention: Mr. G. O. Wessenauer, manager of power.)

GENTLEMEN: Reference is made to the meetings and discussions between representatives of the Tennessee Valley Authority and the Atomic Energy Commission which were held on numerous occasions since July 1948, for the purpose of developing the most practicable and economical method of supplying the additional power required for the expansion of production operations at Oak Ridge.

As a result of the discussions and related engineering studies, it has been concluded that it is in the best interests of the Government for the additional power to be supplied by TVA. It is requested, therefore, that the amount of power to be supplied by TVA to the AEC, at Oak Ridge, be increased by 70,000 kilowatt by not later than June 30, 1951.

I want to pause here to say that does not mean all the power they expect to get from this plant. They must have that much by June 30, 1951. The letter continues:

An effort will be made to complete the construction of the additional production facilities at Oak Ridge, as soon as practicable, and it is probable that these facilities will be completed ready for use early in the spring of 1951. The additional power needed for these facilities will be desired as soon as they are ready for use. It is understood that because of the favorable water storage situation normally prevalent in the TVA reservoirs in the spring season, advancement of the date for initiating delivery of the increased power supply several months during that season probably would not greatly complicate the supply problems. As we proceed with the construction of the additional facilities, you will be kept informed of the schedule of our power requirements for operation of the plant addition.

It is also understood the firm continuing supply of the additional power by TVA to the Atomic Energy Commission, at Oak Ridge, is contingent upon an addition to the steam-generating capacity of the TVA system and that even with early action to increase the steam generating capacity, it will be necessary to make special arrangements for supplying the additional power required prior to March 1, 1952, on an emergency basis.

We desire to meet with you at an early date to complete the special contractual arrangements for the supply of the additional power during the emergency period prior to March 1, 1952.

This addition to our production operations is of great importance. We appreciate your assistance and desire to cooperate with you in any way possible to complete arrangements for supplying the necessary additional power.

Very truly yours,
R. W. Cook, *Deputy.*
(For J. C. FRANKLIN,
Manager, Oak Ridge Operations).

Mr. LUCAS and Mr. FERGUSON addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Alabama yield; and, if so, to whom?

Mr. HILL. I yield first to the Senator from Illinois. I shall yield to the Senator from Michigan in a moment.

Mr. LUCAS. These are not normal peacetimes in which we live, in the opinion of the Senator from Illinois.

Mr. HILL. I shall come to that in a moment.

Mr. LUCAS. I think we are probably traveling through the most precarious so-called peacetimes in the history of the Republic, and I do not want to be caught with my plants down in another grave emergency that might arise. We hope it will never arise, but with the North Atlantic Pact coming along, together with a few other things we are talking about constantly in the Senate, such a thing could happen.

I cannot for one moment believe that the erection of a steam plant is not incidental to power development by the Tennessee Valley Authority. It is being created for the sole purpose of firming the power to the point where we shall know exactly at all times the power that we are able to produce in any great emergency that might arise. If the building of the New Johnsonville plant is not a part of the national defense, I may say as a result of what I have heard here this afternoon and from what I know about the Tennessee Valley Authority, then I am constrained to believe that I do not know very much about what is necessary for the national defense. It may be we shall never have to use it in the national defense, but certainly now is the time to prepare for any emergency that may arise, by authorizing the construction of the Johnsonville steam plant, so that it may be available in the event we have to use its power in the future for the production of articles which may be necessary in providing for the defense of the Nation.

Mr. HILL. The Senator is exactly right, and I may say to him that that was precisely the reason which impelled the National Security Resources Board to recommend construction of the plant some 10 months ago. So far as I know, there was not at that time any question about additional power for the atomic

energy plant. There are other great plants there, upon which we are dependent in time of war, and which made tremendous contributions to the winning of the last war. There is a great deal of aluminum produced in the valley. It is the source of chemicals of all kinds, including phosphorus and nitrogen.

There are alloys produced in the valley which are used in the manufacture of steel for many purposes.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. HILL. I yield.

Mr. FERGUSON. I should like to know whether the letter which the Senator just read into the RECORD was written prior to the Appropriations Committee's hearings?

Mr. HILL. It was not. I asked for the letter. I was not a member of the subcommittee which held the hearings. When I began to study the hearings I found that the House committee had asked questions about the matter, but the information was not in the record and was not available to me. I did not find anything in the Senate hearings on the matter, so I went to work on my own initiative to inquire about it.

Mr. FERGUSON. The Senator agrees that there is nothing in the hearings about it; is that correct?

Mr. HILL. The House committee referred to the fact that it had inquired into the matter, but the information was given off the record and was not disclosed.

Mr. McKELLAR. Mr. President, will the Senator yield, so that I may clear it up?

Mr. HILL. Yes. If it can be cleared up, I shall be very glad.

Mr. McKELLAR. Every Senator knows that this exact question was fought out a year ago. The testimony adduced before the committee was to this effect:

First. The Tennessee Valley Authority is the one and only power and light plant in the State of Tennessee.

Second. There is no question of competing private plants in the State. Whether that is right or wrong, that is the situation which exists in the State. The Tennessee Valley Authority is the one and only source of power. There are no private power companies.

Third. The New Johnsonville power plant is absolutely necessary to firm up the water power so that no city, no town, no farm, and no factory in the State which needs power and light will be without them.

Fourth. It is absolutely necessary that this dam be built to give manufacturers and other users a steady and uninterrupted flow of power and light.

Fifth. There has been a tremendous growth of manufacturing business in our State since we have had this water power, and the needs are tremendously increasing in city, town, and State. It is absolutely necessary that we know in advance that there will be no shortage of power and light.

Sixth. This plant is absolutely necessary for defense purposes.

I call the Senator's particular attention to this.

This plant is absolutely necessary for defense purposes. The Oak Ridge Atomic Energy Plant, the plants of the Aluminum Co. of America, the plants of the Reynolds Metal Co., which will be called upon to produce aluminum for the 70-group air force which Congress has just voted, will need the additional steam power. Aluminum production requires enormous quantities of power.

The municipalities and the cooperatives which distribute TVA power in the Tennessee Valley have experienced a 60-percent increase in demand since the war, and expect another 65-percent increase on top of that. Not only the TVA, but the whole Nation, is short of power.

The growth, prosperity, and development of our State, the capacity of our many plants, and the development of our many farms, and especially the war plants now existing in the State, will all be put in jeopardy if we fail to have a proper supply and a continuous supply of power from TVA.

That evidence was presented before the committee.

Mr. FERGUSON. Not this year.

Mr. McKELLAR. The Senator is involved in a technicality. The Constitution was not written this year. I believe it was written several years ago. I think the Declaration of Independence was written sometime ago, strange as that may appear to my good friend from Michigan. These things happened some years ago. But this particular question was not only before the committee, but the evidence was before the committee. The committee held hearings and passed upon the facts. The Senator was a member of the committee.

Mr. HILL. Mr. President, the committee not only passed upon them, but it threshed the whole matter out.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. HILL. I yield to my friend from Michigan.

Mr. FERGUSON. Is the Senator familiar with the fact that there are 2,203,102 kilowatt-hours of hydroelectric power produced, and that would be sufficient to furnish firm power, as shown by this year's record, to all war plants and all Government agencies in the Tennessee Valley?

Mr. HILL. Mr. Presdient, I do not know that the Senator's figures are correct. I do not mean to challenge them; I simply do not know. But, assuming the figures are correct, the Senator is saying that what we should do is to cut out every light from every farmhouse in the Tennessee Valley, cut out every light on every street in every city in the Tennessee Valley, close every plant——

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. HILL. I yield to the Senator from Tennessee.

Mr. McKELLAR. The Senator from Michigan said that the testimony was not in this year's hearings. Of course it was. If he will look on page 180 of the hearings he will find a letter from Mr. Gordon R. Clapp, of the Tennessee Valley Authority, the last paragraph of which I shall ask the Senator from Alabama to read. It shows that the evidence was actually before the committee this year. It was before the committee last year and before the committee this year.

Mr. HILL. In the concluding paragraph of the letter to which the Senator from Tennessee has referred, which was written by Gordon R. Clapp, Chairman of the Board of the Tennessee Valley Authority, to the Senator from Tennessee, I find this language:

> The urgent need for the New Johnsonville steam plant, and for additional hydroelectric generating capacity in the TVA area was fully described last year in both House and Senate hearings on the regular TVA appropriation for the current year. The facts presented a year ago were brought up to date in the recent hearings before the Deficiencies Subcommittee of the House Appropriations Committee. Because of the extremely tight schedules, we respectfully urge early consideration of the supplemental request by the Senate Appropriations Committee, and stand ready to supply any additional information which may be required.

In his letter Mr. Clapp referred to the presentation before the House Subcommittee on Appropriations. Before that subcommittee Mr. Clapp submitted this letter, under date of January 25, 1949, in which he had this to say:

> This region is a major producer of chemicals, aluminum, and ferro-alloys which are required in large quantities for consistent maximum national productivity, and which require enormous amounts of power. A power shortage would force interruptions in the production of these vital materials and handicap the Nation's ability to prepare for national emergencies. A power shortage at any time is a serious condition for any region to face. It would be especially damaging in this area, in view of the kind of industry located here. Surveys by the National Securities Resources Board show that, aside from the Northwest, this area is in more serious need of expansion of power supply than any other part of the country.

As I have said, the National Securities Resources Board, under the chairmanship of Mr. Arthur Hill, 10 months ago recommended the construction of the New Johnsonville steam plant. I point out, first, that the only generators having power in the Tennessee Valley area, which takes in parts of seven States, are the generators of the Tennessee Valley Authority, the generators of the United States Government. There is no other source of power there. No matter how important it might be, no matter how necessitous might be the situation from the power standpoint, it is not possible to get any power except from one source, and that is the Tennessee Valley Authority. If the Tennessee Valley Authority does not provide the power, there will be no power there.

Surely no Senator will disagree with the proposition that in the operation of the Tennessee Valley Authority, the operation of the Government's business, we should operate in a businesslike manner, should operate as a private utility would operate, in the most economical and in the wisest manner. That is exactly what we are asking to have done through the construction of the steam plant, to put an end to waste, to operate the Government's properties in a wise, economic, businesslike manner.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. HILL. I yield.

Mr. AIKEN. I should like to point out that the shortage of power in the Tennessee Valley area is not peculiar to that area. I do not know of any area in the United States where additional power is not needed. The shortage is not among any particular class of people. Industry is using much more than ever before. Our homes are using much more than ever before. Our farms have increased their consumption by nearly 300 percent. Whereas in years gone by farmers used a thousand kilowatts a year, they now average 3,000 kilowatts a year. All over the United States the people are desperately trying, by various means, to increase their supply of electric energy. In some areas the private utilities are increasing the amount of available power as much as they possibly can.

Mr. HILL. They are doing so in the Southeast, I may say to the Senator.

Mr. AIKEN. In other areas the State authorities are attempting to increase the supply. In still other areas municipal or cooperative organizations are undertaking to increase the supply of power so as to meet the demand, which is increasing almost 10 percent every year.

In my section of the country, in New England, the private utilities are depended upon to furnish an assured supply of power. In the TVA area the TVA is depended upon to furnish a constant supply of power not only for the cooperative and municipal distribution systems, but for some of the private systems as well.

Would it not be just as reasonable to say that we will not permit the private utility interests of New England to increase the power which that area needs so desperately as it would be to say we will not permit the TVA to increase the power for which their area depends upon them?

I should like to make one other point.

Mr. HILL. Before the Senator gets to the other point, let me answer him.

Mr. AIKEN. Very well.

Mr. HILL. The Senator's analogy of course is 100 percent correct. It is not any more reasonable to deny the TVA the authority to increase and step up its power than to deny a private power company the right to increase and step up its power. As I stated earlier, in 1940, when we were confronted with the emergency of that year, there was a surplus of 25 percent in electric power in this country. Today, as the Senator knows, there is no surplus.

Mr. AIKEN. No. The fact is that today the utility companies are using practically all their reserves in order to furnish their customers with enough day-to-day energy, leaving us in a rather dangerous situation. It would be just as fair to tell the Nebraska Power Authority that they cannot increase their energy and output to meet the demands of that State as it is to tell the TVA that they cannot increase their output to meet the demands of the TVA area.

The second point I wish to make is in answer to a question propounded on the floor early this afternoon as to why the TVA did not construct more of the small dams which might furnish more power. I understand that the New Johnsonville generating plant is expected to produce power at slightly over 3 mills a kilowatt hour, and I believe in that we find the answer. Steam, coal, gas generating plants are becoming more efficient, and now that they get the cost of producing the power down to almost 3 mills, it is getting more and more difficult to compete with water power sites of the same volume, which would have been able successfully to compete with the steam plants only a few short years ago.

Mr. HILL. The Senator is exactly correct.

Mr. ROBERTSON. Mr. President, will the Senator yield for just one question?

Mr. HILL. I yield to my colleague from Virginia.

Mr. ROBERTSON. In line with the observation made by the Senator from Vermont, but with a little different analogy, those living in the Tennessee Valley area, served by TVA, are now getting their power for about one-third of the average rate charged by private utilities, and the steam plant, I have been told, would furnish sufficient additional power to supply a city of a million people. I can understand why they would want it. I wish to ask the Senator from Alabama whether he knows of any area in the United States where the inhabitants would not like to get their power for one-third of what they are now paying.

Mr. HILL. I do not agree with the Senator at all.

Mr. ROBERTSON. About what?

Mr. HILL. That the people served by TVA are getting power at one-third of what those in other places are paying.

Mr. ROBERTSON. That is in our hearing. The Senator should read the hearings.

Mr. HILL. I will say it is much higher in some places.

Mr. ROBERTSON. I said the average.

Mr. HILL. There is no "water" in the TVA dams. The people of that area are not paying on watered stock.

I will say also that under a law passed by Congress several years ago, TVA has to fix it rates so as to amortize the cost over a period of 40 years. In other words, at the end of 40 years every power project must be paid for with money turned back into the Treasury of the United States, something the private power companies never have done. No one ever heard of a private power company ever paying off any bonds.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. HILL. I yield to the Senator from Vermont.

Mr. AIKEN. Let me point out that a Federal development, such as TVA, is able to pay back the investment over a period of 40 years on a 4-percent-earning capacity, whereas the private companies estimate an 8- to 10-percent-earning capacity necessary in order to keep them on an above-water level.

Mr. HILL. I think the Senator is entirely correct.

Mr. KEFAUVER. Mr. President, will the Senator yield?

Mr. HILL. I yield.

Mr. KEFAUVER. I should like to answer the questions which have just been raised. First, the Senator from Michigan stated that TVA could divert all its power to war industries. If it did so it would be violating the plain mandate of sections 2 and 3 of the TVA Act which require that preference be given to rural and agricultural users. Certainly the Senator would not want TVA to violate the direct mandate of Congress.

Then, something has been said this afternoon about how much money TVA has paid back to the Federal Government, or how much has been reinvested in TVA power-producing property.. I should like to call the Senator's attention to the reference on page 894 of the hearings in the House Appropriations Committee on the Independent Offices Appropriation Act of 1950, to which he has referred. It is shown there that there has been repaid into the Treasury $34,-131,519; retirement of bonds which were issued pursuant to the purchase of Tennessee Valley electric power property, $11,072,000; reinvested by authorization of Congress, $75,052,967; making a total of about $120,000,000 which has been repaid or reinvested in property as of this time.

Mr. HILL. Mr. President, I am sure the Senator is correct, and I thank him for his contribution.

Mr. FERGUSON. The Senator from Alabama has indicated that TVA has paid back certain sums of money into the Treasury.

Mr. HILL. I said some money, but not a great deal.

Mr. FERGUSON. Of course, the Senator is familiar with the fact that private companies are paying into the Treasury yearly large sums of money as income taxes.

Mr. HILL. Yes.

Mr. FERGUSON. I wonder whether the Senator would say that the following figures are correct. As of June 30, 1948, total assets of the TVA, $819,942,171.

Mr. HILL. That is the total assets. But that figure does not represent only power. It represents flood control, navigation, production of fertilizer, and other items.

Mr. FERGUSON. I want to put into the RECORD the sums of money paid into the Treasury.

First, from power proceeds, $23,059,000.

Second, from activities other than power, $7,911,000.

Or a total of $30,970,000.

The third item is bonds retired from power revenues, $11,000,000.

Fourth, for interest on the bonds, $5,-789,000.

Which makes a total of $47,959,000.

The appropriations for TVA to June 30, 1949, were $736,223,000.

Mr. President, I should like to place in the RECORD a statement of the total sums made available to TVA and total investments of TVA, as of June 30, 1949.

Mr. McKELLAR. Mr. President, is that the statement the Senator has just secured from me?

Mr. FERGUSON. Yes.

Mr. McKELLAR. I should be delighted to have the Senator place in the RECORD.

Mr. FERGUSON. Mr. President, I ask unanimous consent to have the statement placed in the RECORD at this point.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

TENNESSEE VALLEY AUTHORITY

Total funds made available to TVA and total investment as of June 30, 1948

(1) Appropriations	$736,223,000
(2) Transfer of property from other agencies	41,107,000
(3) Proceeds from sale of bonds	65,072,000
(4) Net income from power operations	[1] 109,184,000
Total funds provided	951,586,000
(5) Less following amounts:	
(a) Bond redemption	11,072,000
(b) Payments into Treasury	30,970,000
(c) Net expenditures of non income producing programs	104,685,000
	146,727,000
Total investment, June 30, 1948	804,859,000

[1] The net income from power operations figure of $109,184,000 is arrived at in the following manner:

Gross income from power	$308,656,000
Less following amounts:	
Depreciation	72,021,000
Interest (net)	4,646,000
Other expenses	122,805,000
	199,472,000
Net income from power	109,184,000

TOTAL ASSETS OF TVA AS OF JUNE 30, 1948

As of June 30, 1948, the total assets of the TVA was in the amount of $819,942,171.

Funds paid into the Treasury

(1) From power proceeds	$23,059,000
(2) From activities other than power	7,911,000
	30,970,000
(3) Bonds retired from power revenues	11,000,000
(4) For interest	5,789,000
Total	47,759,000

INVESTMENT IN POWER PROGRAM OF TVA

The following table inserted in the hearings on the pending deficiency bill before the Senate subcommittee shows the break-down of the TVA power program assets as of June 30, 1948:

EXHIBIT I.—*TVA power program assets,*[1] *June 30, 1948*

The power investment includes the following assets:

Completed plant in service	$479,566,650
Less reserve for depreciation	72,136,307
Net plant in service	407,430,343
Funds held for future use under sec. 26, in the form of cash and current receivables	$7,551,476
Long-term receivables	84,832
Inventories	7,344,984
Total assets employed in power program	422,411,635
Construction in progress	27,093,750
	449,505,385

This investment was financed with capital from the following sources:

U. S. Treasury funds:	
Appropriations and transfers of property:	
Total	$309,379,918
Less payments under sec. 26	23,059,019
Net outstanding	286,320,899
Bonds:	
Issued	65,072,500
Retired	$11,072,500
Net outstanding	54,000,000
Total U. S. Treasury funds outstanding	340,320,899
Earnings of the power business:	
Gross earnings	$114,973,122
Less interest paid	5,788,636
The remainder represents the net earnings invested in power assets, including $34,131,519 paid to the Government for retirement of bonds and as an offset to appropriations and $75,052,967 used directly in the business	109,148,486
	449,505,385

EXHIBIT II.—*TVA power income and expense, by years, summarized from annual financial statements*

Fiscal year	Operating revenue	Operating expenses	Depreciation provisions and amortization	Net operating revenue	Interest income	Gross earnings
1933-38	$6,732,447	$3,870,994	$3,610,118	($748,665)	$164,946	($583,719)
1939	5,507,077	2,332,604	1,731,593	1,442,880	95,954	1,538,834
1940	15,285,074	7,081,735	3,615,623	4,587,716	143,595	4,731,311
1941	21,137,371	9,264,242	4,546,547	7,326,582	148,798	7,475,380
1942	25,329,954	15,819,351	5,230,350	4,280,253	136,078	4,416,331
1943	31,674,210	11,935,739	[1] 7,937,886	[1] 11,800,585	126,559	[1] 11,927,144
1944	35,429,546	13,815,808	[1] 9,876,468	[1] 11,737,270	115,045	[1] 11,852,315
1945	39,383,231	12,891,642	[1] 8,885,757	[1] 17,605,832	102,409	[1] 17,708,241
1946	35,264,545	9,875,814	8,605,731	16,783,000	78,591	16,861,591
1947	44,144,090	13,588,931	8,716,410	21,838,749	25,198	21,863,947
1948	48,769,524	22,328,321	9,264,755	17,176,448	5,299	17,181,747
Total	308,657,069	122,805,181	[1] 72,021,238	[1] 113,830,650	[1] 1,142,472	[1] 114,973,122

[1] Reflects accelerated amortization of electric-plant acquisition adjustment by write-off against accumulated earnings: 1943, $2,000,000; 1944, $3,000,000; 1945, $1,000,000.

EXHIBIT III.—*Return on the TVA power investment*

Fiscal year	Average investment [1]	Gross earnings	Annual return on investment
			Percent
1941	$190,000,000	$7,475,380	3.9
1942	220,000,000	4,416,331	2.0
1943	295,000,000	13,927,144	4.7
1944	360,000,000	14,852,315	4.1
1945	390,000,000	18,708,241	4.8
1946	400,000,000	16,861,591	4.2
1947	400,000,000	21,863,947	5.5
1948	405,000,000	17,181,747	4.2

SUMMARY

			Percent
1934-40, 7 years (development period)	$60,000,000	$5,686,426	1.4
1941-48, 8 years	330,000,000	[2] 109,286,696	4.1
1934-48, 15 years	205,000,000	[2] 114,973,122	3.7

[1] Average net book cost during the year of plant in service plus long-term receivables and an allowance for inventories and general plant used for the power program.

[2] Reflects accelerated amortization of electric-plant acquisition adjustments by write-off against accumulated earnings: 1943, $2,000,000; 1944, $3,000,000; 1945, $1,000,000.

EXHIBIT IV.—*Disposition of gross TVA power earnings*

GROSS EARNINGS

Fiscal year	From exhibit II
1933-39	$955,115
1940	4,731,311
1941	7,475,380
1942	4,416,331
1943	[1] 11,927,144
1944	[1] 11,852,315
1945	[1] 17,708,241

Footnotes at end of table.

EXHIBIT IV.—*Disposition of gross TVA power earnings*—Continued

GROSS EARNINGS—continued

Fiscal year	From exhibit II
1946	$16,861,591
1947	21,863,947
1948	17,181,747
Total	114,973,122

DISPOSITION OF GROSS EARNINGS

Fiscal year	Interest	Bond retirement	Paid to U. S. Treasury (sec. 26)	Used directly in the power business
1933-39	$60,479			$894,636
1940	432,082			4,299,229
1941	484,602			6,990,778
1942	742,978			3,673,353
1943	778,291			[1] 11,148,853
1944	736,624	$2,000,000		[1] 9,115,691
1945	726,207	2,000,000		[1] 14,982,034
1946	647,867	2,300,000	$7,087,741	6,825,983
1947	615,570	2,272,500	7,971,278	11,004,599
1948	563,936	2,500,000	8,000,000	6,117,811
Total	5,788,636	11,072,500	23,059,019	[2] 75,052,967

[1] Reflects accelerated amortization of electric-plant acquisition adjustments by write-off against accumulated earnings: 1943, $2,000,000; 1944, $3,000,000; 1945, $1,000,000.

[2] $7,551,476 is in the form of cash and current receivables, a major share of which will be paid to the Government within the current fiscal year.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. HILL. I yield.

Mr. AIKEN. The Senator from Michigan does not include the reserves that had been earned?

Mr. FERGUSON. I am sure they are contained in the statement.

Mr. KEFAUVER. Mr. President, will the Senator yield?

Mr. HILL. I yield.

Mr. KEFAUVER. The figures presented by the junior Senator from Michigan would include also the investment for flood control, navigation, and the fertilizer program. Whereas, on an average, only 40 percent of a multipurpose dam is charged to electric operation. So I think the figure of investment for the purpose of the electric business is about $450,000,000 instead of the $800,000,000 as stated by the Senator from Michigan.

The Senator did not mention the other calculation, which is that $75,052,000 of earnings of the TVA had been reinvested, with the approval of Congress, for electrical purposes, such as transmission lines.

Mr. HILL. Yes. In other words, TVA has been in a growing, expanding stage, and instead of putting the money into the Treasury, Congress has permitted the TVA to expend it on power facilities, transmission lines, and other investments in the project.

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. HILL. I yield.

Mr. MAGNUSON. Of course, the Senator will agree that multiple-purpose projects pay back the most money on the investment, and the returns are the quickest.

Mr. HILL. There is no question about that.

Mr. MAGNUSON. The power is readily available in these areas, and is in demand. Should the bonds of such projects be put on the private market they would sell far above par, because they are the finest kind of investment, whether it be private or public business. A similar situation exists in my section of the country. There we have the Grand Coulee and the Bonneville projects. They operate under the same schedules as TVA, though not at the same cost, and they make the same type of repayment. I should say that Grand Coulee and Bonneville are 9 years ahead of their 40-year schedule in repayment to the United States Government.

Mr. McKELLAR. Mr. President, it is evident we cannot have a vote on the amendment tonight.

Mr. HILL. Mr. President, is it the purpose of the Senator to move that the Senate take a recess?

Mr. McKELLAR. Yes.

Mr. HILL. Mr. President, I should like to say a few words before the Senator makes the motion. I desire to emphasize that the New Johnsonville plant is a very integral part of the national defense system of the United States. It has been said here that we built the Watts Bar steam plant as an emergency or war measure. We built that plant 17 months before we went into war. When we built that plant we had no selective-service law on the statute books. There was then no draft law on the statute books as there is today. We were not then expending nearly $16,000,000,000 a year on our Army, Navy, and Air Force. We had not then appropriated, less than 7 days before, five and a half billion dollars for the nations of Europe as a defense measure. Our Foreign Relations Committee was not considering the Atlantic Pact or any such pact, or anything of such significant or far-reaching importance or effect.

Mr. Churchill said in his speech in Boston a few night ago that we were not at war now because we held and possessed the atomic bomb. When he spoke of the atomic bomb he was speaking of the atomic energy plant at Oak Ridge, Tenn., which must secure a large part of its power from the Tennessee Valley Authority. That plant is dependent upon the Tennessee Valley Authority for the additions and expansions which it now feels necessary to make. The Atomic Energy Commission advised in its letter to Mr. Clapp that it must have this New Johnsonville plant if it is to have the power for these additions and these expansions. We must build this plant, Mr. President. We must build it for the defense of our country.

Mr. McKELLAR obtained the floor.

Mr. MAGNUSON. Mr. President, I wanted to ask the Senator from Alabama a question, but I can make this observation on my own account.

The PRESIDING OFFICER. Does the Senator from Tennessee yield to the Senator from Washington for that purpose?

Mr. McKELLAR. I yield.

Mr. MAGNUSON. I am glad the Senator from Alabama discussed the important defense angles, because there is no doubt in the mind of anyone familiar with the projects at Oak Ridge and Hanford that had it not been for Tennessee Valley power and Bonneville Authority power the atomic bomb would not have been built in the time it was built. The great advances in the science of nuclear fission are going to require more power. There is no question about that.

These two great developments, one in the southeastern part of the United States and the other in my area, are just as important today, in the judgment of the Joint Chiefs of Staff or of any military man, as are tanks, battleships, or airplanes.

Mr. HILL. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield.

Mr. HILL. Does not the Senator from Washington agree that they are far more important.

Mr. MAGNUSON. They are far more important.

Mr. HILL. Because we are in the atomic age.

Mr. MAGNUSON. Yes.

Mr. HILL. I thank the Senator.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had passed the bill (S. 1209) to amend the Economic Cooperation Act of 1948, with an amendment, in which it requested the concurrence of the Senate; that the House insisted upon its amendment; asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. KEE, Mr. RICHARDS, Mr. JOSEPH L. PFEIFER, Mr. EATON, and Mr. VORYS were appointed managers on the part of the House at the conference.

The message also announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 1741) to authorize the establishment of a joint long-range proving ground for guided missiles, and for other purposes; asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. BROOKS, Mr. RIVERS, Mr. PHILEIN, Mr. COLE of New York, and Mr. ANDERSON of California were appointed managers on the part of the House at the conference.

ENROLLED BILLS AND JOINT RESOLUTIONS SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills and joint resolutions:

H. R. 220. An act to amend section 3 of the act entitled "An act to revise the Alaska game law," approved July 1, 1943, as amended (57 Stat. 301);

H. R. 555. An act conferring jurisdiction upon the District Court of the United States for the Northern District of California, Northern Division, to hear, determine, and render judgment upon the claims of all persons for reimbursement for damages and losses sustained as a result of a flood which occurred in December 1937 in levee district No. 10, Yuba County, Calif.;

H. R. 572. An act for the relief of Sylvia M. Misetich;

H. R. 576. An act for the relief of Arthur G. Robinson;

H. R. 581. An act to confer jurisdiction upon the District Court for the Territory of Alaska, to hear, determine, and render judgment upon the claim, or claims, of Hilda Links and E. J. Ohman, partners, and Fred L. Kroesing, all of Anchorage, Alaska;

H. R. 591. An act for the relief of Mrs. Lucille Davidson;

H. R. 592. An act for the relief of James W. Keith;

H. R. 618. An act for the relief of Eugene J. Bearman;

H. R. 659. An act for the relief of Mrs. Elizabeth B. Murphy;

H. R. 729. An act for the relief of John J. O'Neil;

H. R. 739. An act for the relief of Mary Jane Harris;

H. R. 745. An act for the relief of B. John Hanson;

H. R. 1036. An act for the relief of R. C. Owen, R. C. Owen, Jr., and Roy Owen;

H. R. 1043. An act for the relief of Mrs. Wesley Berk (formerly Mrs. Ruth Cameron);

H. R. 1061. An act for the relief of Bernice Green;

H. R. 1066. An act for the relief of James Leon Keaton;

H. R. 1094. An act for the relief of Nellie M. Clark;

H. R. 1113. An act for the relief of James A. Stapleton, Ruth Burk, and Mildred Ovren, copartners, doing business under the name and style of Stapleton Lumber & Piling Co.;

H. R. 1164. An act for the relief of the estate of H. M. McCorvey;

H. R. 1176. An act for the relief of Mr. and Mrs. Leroy Hann;

H. R. 1280. An act for the relief of Mrs. Judge E. Estes;

H. R. 1286. An act for the relief of Elizabeth Rowland;

H. R. 1755. An act to authorize a $100 per capita payment to members of the Red Lake Band of Chippewa Indians from the proceeds of the sale of timber and lumber on the Red Lake Reservation;

H. R. 1959. An act for the relief of the county of Allegheny, Pa.;

H. R. 1998. An act to amend the act entitled "An act to provide for the conveyance to Pinellas County, State of Florida, of certain public lands herein described," approved June 17, 1948 (Public Law 666, 80th Cong.), for the purpose of correcting a land description therein;

H. R. 2708. An act for the relief of the legal guardian of Joseph De Souza, Jr.;

H. R. 3856. An act to provide for a Commission on Renovation of the Executive Mansion;

H. J. Res. 186. Joint resolution to extend the time for use of construction reserve funds established under section 311 of the Merchant Marine Act, 1936, as amended; and

H. J. Res. 212. Joint resolution authorizing appropriations to the Federal Security Administrator in addition to those authorized under title V, part 2, of the Social Security Act, as amended, to provide for meeting emergency needs of crippled children during the fiscal year ending June 30, 1949.

EUROPEAN RECOVERY PROGRAM

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the bill (S. 1209) to amend the Economic Cooperation Act of 1948, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. CONNALLY. Mr. President, I move that the Senate disagree to the amendment of the House; agree to the request of the House for a conference, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. CONNALLY, Mr. GEORGE, Mr. THOMAS of Utah, Mr. VANDENBERG, and Mr. WILEY conferees on the part of the Senate.

RECESS

Mr. McKELLAR. I move that the Senate take a recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 6 o'clock and 20 minutes p. m.) the Senate took a recess until tomorrow, Wednesday, April 13, 1949, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate April 12 (legislative day of April 11), 1949:

COAST GUARD

The following-named cadets to be ensigns in the Coast Guard, to rank from the 3d day of June 1949:

William Talmadge Adams II
Ernest Brenton Altekruse
Norman Brown Binns
Charles Lincoln Blaha
Gordon Warner Brockway
George Kenderdine Burkman
Charles Yardley Chittick, Jr.
John Marshall Clark
William Edward Clark
Henry Anthony Cretella
Richard Sargent Dolliver
Jules Berthold DuPeza
William Royde Fearn
John Aberle Flynn
Anthony Francis Fugaro
James Steele Gracey
Robert Walton Hampton
Herbert Maurice Hartlove
Thomas Edward Hawkins
Laurence John Hoch
Collins Stewart Hyers
Nicholas Ivanovsky
Herbert Adolph Johnson
Jack Mgum Jones
Harry Hexamer Keller, Jr.
Charles Earll Larkin, Jr.
David Francis Lauth
Royce Almon Lewis
Gordon Kendall Loftin
Richard John Mayer
Paul Wayne Meyer
Herbert Hyland Mulvany
Lee Charles Nehrt
Irwin Russell Pahl
Harold Arthur Paulsen, Jr.
Richard Thurman Penn, Jr.
Karl Fairbank Peterson
Reginald Winfield Raynor, Jr.
Donald Bruce Russell
George Melville Rynick III
Norman Marshall Sawyer
Robert Schuerch, Jr.
William Sheldon Schwob, Jr.
Robert Curtis Sedwick
Wilfred Hubert Shaw
William Hollis Shaw, Jr.
Frank Lawlor Shelley
Arne Johan Soreng
Kenneth Roger Spreen
William Hart Stewart
Clarence Henry Tannel
Ernest Ray Tindle
Sidney Arthur Wallace
Joseph William Eckley Ward
John Ellsworth Wesler
Neal Earl Williams, Jr.
Albert David Young, Jr.

DIPLOMATIC AND FOREIGN SERVICE

The following-named Foreign Service officers for promotion from class 2 to class 1:

Theodore C. Achilles, of the District of Columbia.
John W. Bailey, Jr., of Texas.
Cavendish W. Cannon, of Utah.
Vinton Chapin, of Massachusetts.
Oliver Edmund Clubb, of Minnesota.
William P. Cochran, Jr., of Pennsylvania.
Albert M. Doyle, of Michigan.
Gerald A. Drew, of California.
Homer S. Fox, of Michigan.
Julian C. Greenup, of California.
George J. Haering, of New York.
Raymond A. Hare, of Iowa.
Gerald Keith, of Illinois.
Hervé J. L'Heureux, of New Hampshire.
Frederick B. Lyon, of Michigan.
Lester De Witt Mallory, of California.
Hugh Millard, of Nebraska.
Sheldon T. Mills, of Oregon.
Harold B. Minor, of Kansas.
Jefferson Patterson, of Ohio.
Guy W. Ray, of Alabama.
Robert Lacy Smyth, of California.
Edward J. Sparks, of New York.
Edward T. Wailes, of New York.

John E. Peurifoy, of South Carolina, for reappointment in the Foreign Service as a Foreign Service officer of class 1, a consul general, and a secretary in the diplomatic service of the United States of America, in accordance with the provisions of section 520(a) of the Foreign Service Act of 1946.

The following-named Foreign Service officers for promotion from class 3 to class 2:

Glenn A. Abbey, of Wisconsin.
E. Tomlin Bailey, of New Jersey.
LaVerne Baldwin, of New York.
William H. Beach, of Virginia.
Carl H. Boehringer, of Michigan.
Daniel M. Braddock, of Michigan.
Charles R. Burrows, of Ohio.
A. Bland Calder, of New York.
John Willard Carrigan, of California.
Augustus S. Chase, of Connecticut.
Norris B. Chipman, of the District of Columbia.
Montgomery H. Colladay, of Connecticut.
Henry B. Day, of Connecticut.
Edmund J. Dorsz, of Michigan.
Walter C. Dowling, of Georgia.
Dorsey Gassaway Fisher, of Maryland.
Andrew B. Foster, of Pennsylvania.
Randolph Harrison, of Virginia.
Norris S. Haselton, of New Jersey.
Knowlton V. Hicks, of New York.
Frederick W. Hinke, of New York.
John F. Huddleston, of Ohio.
U. Alexis Johnson, of California.
George Lewis Jones, Jr., of Maryland.
George D. LaMont, of New York.
E. Allan Lightner, Jr., of New Jersey.
Raymond P. Ludden, of Massachusetts.
John J. Macdonald, of Missouri.
Thomas J. Maleady, of Massachusetts.
Edward S. Maney, of Texas.
Paul W. Meyer, of Colorado.
Arthur L. Richards, of California.
Donald W. Smith, of the District of Columbia.
Horace H. Smith, of Ohio.
William P. Snow, of Maine.
Philip D. Sprouse, of Tennessee.
Carl W. Strom, of Iowa.
Francis H. Styles, of Virginia.
Clare H. Timberlake, of Michigan.
Marshall M. Vance, of Ohio.
Joe D. Walstrom, of Missouri.

The following-named Foreign Service officers for promotion from class 4 to class 3:

Charles W. Adair, Jr., of Ohio.
Barry T. Benson, of Texas.
Maurice M. Bernbaum, of Illinois.
Reginald Bragonier, Jr., of Maryland.
Stephen C. Brown, of Virginia.
Thomas S. Campen, of North Carolina.
Carl E. Christopherson, of Iowa.
Harlan B. Clark, of Ohio.
Bernard C. Connelly, of Illinois.
Robert T. Cowan, of Texas.
Leon L. Cowan, of Texas.
Earl T. Crain, of Illinois.
Richard H. Davis, of New York.
Andrew E. Donovan, 2d, of California.
Edward A. Dow, Jr., of Nebraska.
James Espy, of Ohio.
William E. Flournoy, Jr., of Virginia.
Richard D. Gatewood, of New York.
Jule L. Goetzmann, of Illinois.
Robert F. Hale, of Oregon.
Landreth M. Harrison, of Minnesota.
Miss Constance R. Harvey, of New York.
Richard H. Hawkins, Jr., of Pennsylvania.
Theodore J. Hohenthal, of California.
J. Jefferson Jones 3d, of Tennessee.
Randolph A. Kidder, of Massachusetts.
Perry Laukhuff, of Ohio.
Andrew G. Lynch, of New York.
Edward P. Maffitt, of Missouri.
Thomas C. Mann, of Texas.
Roy M. Melbourne, of Virginia.
John Frémont Melby, of Illinois.
Miss Kathleen Molesworth, of Texas.
John Ordway, of the District of Columbia.
Elim O'Shaughnessy, of New York.
Maurice Pasquet, of New York.
Paul H. Pearson, of Iowa.
Walter Smith, of Illinois.
David A. Thomasson, of Kentucky.
Ray L. Thurston, of Wisconsin.
John W. Tuthill, of Massachusetts.
Gerald Warner, of Massachusetts.
T. Eliot Weil, of New York.
H. Bartlett Wells, of New Jersey.
Fraser Wilkins, of Nebraska.
Kenneth J. Yearns, of the District of Columbia.

The following-named Foreign Service officers for promotion from class 5 to class 4:

V. Harwood Blocker, of Texas.
William C. Burdett, Jr., of Georgia.
C. Vaughan Ferguson, Jr., of New York.
Boies C. Hart, Jr., of Connecticut.
Roger L. Heacock, of California.
William J. Porter, of Massachusetts.
Harold Sims, of Tennessee.
Walter J. Stoessel, Jr., of California.
George Lybrook West, Jr., of California.

The following-named Foreign Service officers for promotion from class 5 to class 4 and to be also consuls of the United States of America:

Stewart G. Anderson, of Illinois.
William Barnes, of Massachusetts.
W. Wendell Blancké, of Pennsylvania.
Byron E. Blankinship, of Oregon.
Findley Burns, Jr., of Maryland.
Don V. Catlett, of Missouri.

Mr. TYDINGS. I move that the Senate insist upon its amendments, agree to the request of the House for a conference, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. TYDINGS, Mr. BYRD, Mr. CHAPMAN, Mr. GURNEY, and Mr. SALTONSTALL conferees on the part of the Senate.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Swanson, one of its reading clerks, announced that the House had agreed to the amendments of the Senate to the joint resolution (H. J. Res. 160) to authorize completion of the processing of the visa cases, and admission into the United States, of certain alien fiancés and fiancées of members, or of former members, of the armed forces of the United States, as was provided in the so-called GI Fiancées Act (60 Stat. 339), as amended.

FIRST DEFICIENCY APPROPRIATIONS, 1949

The Senate resumed the consideration of the bill (H. R. 2632) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1949, and for other purposes.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from New Hampshire [Mr. BRIDGES].

Mr. ROBERTSON. Mr. President, I desire to preface the remarks I shall make concerning the pending measure by saying that, as a Member of the House of Representatives I supported the bill which created the Tennessee Valley Authority. I desired to preserve the investments we had made at Muscle Shoals during World War I to develop there a plant which could produce nitrogen and other war materials in the event of another war, and I desired to see created by the Government a yardstick by which we might more accurately and clearly evaluate a proper charge for electric energy to be purchased from private utilities. I rejoice in the benefits which have come to that area of the Nation from the activities of TVA, notwithstanding the fact that they have cost the Government, as I understand, in the neighborhood of $900,000,000. I hope my heart is free from sectionalism and envy. I hope I am sufficiently broadminded to realize that prosperity anywhere in the Nation is good for the whole Nation, and I want to see all sections of the Nation built up with good farming land, with prosperous farming, and properly balanced with industries, which, of course, need power produced by coal, by natural gas, or by electricity.

And, Mr. President, I would be false to every impulse of my heart if I did not also acknowledge my deep personal gratitude to the distinguished senior Senator from Tennessee [Mr. MCKELLAR] for the many favors he has shown me, not only since I have been a Member of this body, but throughout the 14 years in which I was a Member of the House. There is no Member of this body for whom I have a higher regard or a warmer affection. There is no Member of this body whom I would more greatly rejoice to honor and to favor. I would go the length of my cable-tow to do anything I could for my distinguished friend from Tennessee in a matter in which he might be interested. I am sure he realizes, as I hope every other Member of this distinguished body will realize, that I would not stand on this floor and oppose a project in which the senior Senator from Tennessee was interested, except from a keen sense of public duty.

Mr. President, I shall vote for the amendment to strike out the New Johnsonville steam plant, for three reasons:

First. I do not think Congress has the power to authorize such a steam plant.

Second. I think power to firm up the hydroelectric power of that area can be secured from a private utility without cost to the Federal Government.

Third. I think we are facing such a serious crisis in our fiscal affairs that prudence dictates that we shall not embark upon any project of a costly character to be fulfilled in the next 4, 5, or 6 years unless it be demonstrated that it is one of urgent and immediate necessity.

Mr. President, I desire briefly to elaborate on those three points. I shall not argue whether or not the TVA Act authorizes the construction of steam plants. I find no direct authority in the act to that effect, but there are two indirect references. In the general grant of authority we find enumerated powers, including the power to build power dams, transmission lines, and powerhouses, and then we find the words "other structures." It has been argued, and perhaps with some merit, that the words "other structures" include a steam plant, if the Authority wishes to build a steam plant. I had assumed, from the general tenor of court decisions in construing language of that character, that when we use the word "other" as an embracive term, what follows must be of the same character as the projects enumerated, and that "other" could not bring in new and entirely different types of projects from the general plan which was specifically authorized.

I find also in the statute creating TVA a reference, under the head of how the Authority shall keep the books, to the effect that so much shall be allocated to power, so much shall be allocated to fertilizer, so much shall be allocated to this or that, and so much shall be allocated to steam plants. It has been argued to me that that recognizes the power to build a steam plant. Perhaps it does. In any event, TVA has built a steam plant already, but I think under circumstances quite different from those attending the pending proposal.

Mr. President, I wish at this point to read the testimony before the House committee of the very able Mr. Gordon R. Clapp. I read from page 16 of the House hearings on the first deficiency bill for 1949. Mr. Clapp said:

> At the time that acquisition was made, TVA not only acquired, for example, the Hales Bar Dam which had been built on the Tennessee River and operated by the Tennessee Electric Power Co., but we also bought several large steam plants, including a steam plant at Hales Bar Dam, a steam plant near Nashville, Tenn., a steam plant at Parksville, Tenn., and so forth.
>
> Then, in 1940, through the regular appropriation procedure Congress authorized the TVA to build the Watts Bar steam plant near Watts Bar Dam which was under construction at that time. That steam plant at Watts Bar has a capacity of 240,000 kilowatts. Today out of a total system capacity of some 2,650,000 kilowatts capacity, 450,000 kilowatts is in steam plants.

It will be noted, Mr. President, that that steam plant was built along with a hydroelectric-power project, and clearly and definitely for the purpose of the effective operation of the water power.

I do not challenge the right of the Congress to authorize the construction of a steam plant to serve a governmental agency, and it would be useless to challenge it, because I think it has already been admitted, in one way or another, that when we build a hydroelectric plant under the power of Congress to regulate commerce, and for the other purposes, namely, flood control, and the like, on which those dams primarily rest, we contemplate the right to utilize the potential power that can be created at the dam concerned. So we put in a powerhouse and generator to utilize the power.

The next inference from the first inference—although we used to be taught in law school, in studying evidence, that we could not draw an inference from an inference—the second inference from the first inference is that if we build the power plant for hydroelectric power and find periods of low water, and the hydroelectric power is not being efficiently and properly utilized, we can then install a stand-by steam plant to firm up the power, as it is said, and supplement it, without violating any constitutional prohibition against the Government going into business in competition with private industry.

Mr. President, I feel that the present proposal, to build a steam plant at New Johnsonville, Tenn., which will furnish sufficient new power to supply a city of a million people, is the first real test of congressional action in connection with that policy. If there has ever been another steam plant built under congressional authority, except the one I have just mentioned as referred to in the testimony of Mr. Clapp, I do not know about it; and, as I pointed out, the construction of that steam plant was not challenged at the time, and it has not been challenged since, so far as I know, because it was built at the same time the dam was being constructed, and clearly for the purpose of making effective use of the hydroelectric power which would result from the construction of the dam.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. ROBERTSON. I yield to the Senator from Michigan.

Mr. FERGUSON. An examination of the record which the junior Senator from Michigan put into the CONGRESSIONAL RECORD yesterday indicates clearly that the power was also to be used for national defense, and there is no dispute on that question.

Mr. ROBERTSON. In reply to my distinguished colleague from Michigan, I will say that of course the Federal Gov-

ernment has the right to build any kind of plant it desires, hydroelectric, steam, or any other kind of plant, which would contribute to the national defense. I admitted that at the outset. I also admit that if there is a steam plant at the location we are discussing, with hundreds or thousands of kilowatts of new power to be produced, it could be a contribution to national defense, provided a factory or series of factories were constructed to utilize the power.

Mr. KEFAUVER. Mr. President, will the Senator yield?

Mr. ROBERTSON. I yield.

Mr. KEFAUVER. I think it should be pointed out that the appropriation for the Watts Bar Dam and the appropriation for the Watts Bar steam plant came at different times. In other words, the Watts Bar steam plant was not built in conjunction with the Watts Bar Dam. Furthermore, the record shows, and the fact is, I may say to the Senator from Virginia, that the Watts Bar steam plant is used to firm up not merely the power coming from Watts Bar, because it produces a great deal more power than the Watts Bar Dam does, but it is used to firm up the power from the entire system, just as the New Johnsonville steam plant would be used to do.

Mr. ROBERTSON. Mr. President, I am not in a position to challenge the statement of the eminent Senator from Tennessee. I am simply relying on what Mr. Clapp testified a few weeks ago before the subcommittee of the House Committee on Appropriations when he said that, "Congress authorized the TVA to build the Watts Bar steam plant near Watts Bar Dam which was under construction at that time"—and I underscore the language "which was under construction at that time."

Mr. KEFAUVER. Mr. President, will the Senator again yield?

Mr. ROBERTSON. I yield.

Mr. KEFAUVER. For the information of the Senator from Virginia I will say it takes a great deal of time to build a dam. So the appropriation for the dam was made at least a year before the appropriation was made for the steam plant. I cannot see how it makes very much difference whether the steam plant is 1 mile or 30 miles from a dam, so long as it is used to firm up the power which is generated at the hydroelectric dam.

Mr. ROBERTSON. The Senator is probably correct, but before I conclude I shall speak of one 250 miles from the dam whose power it is supposed to firm up. I do not claim, however, that the $54,000,000, or whatever the exact sum may be, which is going to be added to the $900,000,000 it is proposed to spend in order to expand power potentialities of the Tennessee Valley, is going to break our backs. What I am leading up to is that I feel we are called upon now to take action on what will undoubtedly be characterized as a precedent for every proposal for a steam plant that may be presented in the future, whether it is to firm up power anywhere near a stream or anything else. In other words, since the matter cannot be tested in court under the general law, it is very important for Congress carefully to consider whether or not we shall establish a precedent which will rise up to plague us in every section of the country that cannot have a hydroelectric power plant, but which would like very much to have Government power even though it has to be produced by a steam plant.

Mr. DONNELL. Mr. President, will the Senator yield for a question?

Mr. ROBERTSON. I yield.

Mr. DONNELL. Do I correctly understand the distinguished Senator from Virginia to say that anly one steam plant has been built by the Tennessee Valley Authority?

Mr. ROBERTSON. That is my understanding. The Authority has bought all the rest of them. It is my understanding that only one steam plant has been authorized by the Congress in the whole history of the Nation.

Mr. DONNELL. Mr. President, will the Senator yield for a further question?

Mr. ROBERTSON. I yield.

Mr. DONNELL. The Senator from Alabama [Mr. HILL] is present in the Senate Chamber. I want to ask the Senator from Virginia if he disagrees with this statement made by the Senator from Alabama yesterday, which appears on page 4363 of the RECORD. The Senator from Alabama then said:

> There is nothing new about steam plants so far as the Tennessee Valley Authority is concerned. The Authority has bought steam plants; it has built steam plants; it has operated steam plants; it has maintained steam plants; in fact, the Tennessee Valley Authority now owns, maintains, and operates approximately 10 steam plants in the Tennessee Valley.
>
> The Tennessee Valley Authority acquired some of these steam plants when it purchased the properties of the Tennessee Power Co. The Tennessee Power Co. had built some of the steam plants as integral parts of its power system.

Mr. ROBERTSON. I will say that everything in the statement is correct except we should take the letter "s" from the word "plants" and leave it "has built a steam plant." It is my understanding that the Tennessee Valley Aauthority has bought all the other steam plants or inherited them from some previous operations, but that the one I have just referred to is the only one the Tennessee Valley Authority has built, and it is the only one the Government has built anywhere in the United States.

Mr. HILL. Mr. President, will the Senator yield?

Mr. ROBERTSON. I yield.

Mr. HILL. The Senator is correct in saying that there has been one steam plan built by the Tennessee Valley Authority, which is the steam plant known as the Watts Bar steam plant; but before the Tennessee Valley Authority took over the Government properties and operation on the Tennessee River, the Government of the United States had built three steam plants in connection with the Tennessee project. It had built the Gorgas steam plant which, incidentally, after the war was sold to the Alabama Power Co. under a contract which was made during the war. Some question arose as to whether or not the Government under this contract was under obligation to sell the Gorgas plant to the power company, and President Harding took the position, and I imagine we will agree with him, that whether there was any legal obligation or not, there could be no question about the word of the Government. So the Government built the Gorgas steam plant in connection with the Tennessee Valley properties. The Government built what we know as steam plant No. 1 in connection with its properties. The Government also built what we know as steam plant No. 2 in connection with its properties. Since that time, in June 1940, the Congress made appropriations and the TVA proceeded to build what we know as the Watts Bar steam plant. So the Government of the United States has built four steam plants in connection with the Tennessee River Government properties.

Mr. ROBERTSON. Mr. President, I tried to make it perfectly clear that I conceded the right of the Government to built a steam plant or any other kind of plant for Government use. The steam plants built in the Tennessee Valley area before the TVA was chartered were definitely Government projects for the production of munitions of war. That statement cannot be challenged. The whole thing was started as a war project, and these dams were built as such. The Muscle Shoals and the other dams and the steam plants represent definitely governmental action for governmental purposes. Nobody has ever challenged the right of the Government to do that. But I have tried to make it clear that since we started, during the depression years, mind you, to develop power with governmental aid, there has been but one plant built, and that is the one I have mentioned in connection with the testimony of Mr. Clapp, which he said was built during the construction of the dam. The two were so close together, I say, that nobody in Congress challenged the construction.

Mr. HILL. Mr. President, will the Senator yield?

Mr. ROBERTSON. I yield.

Mr. HILL. I think the Senator from Virginia would perhaps be more accurate if instead of using the words "the Government built it for war," he should use the words "the Government built these properties for national defense." I emphasize "national defense."

Mr. ROBERTSON. I will accept that expression. I do not like to say we do anything for war. We do not like to go to war. Sometimes we are pushed into war and we simply defend ourselves.

Mr. HILL. Mr. President, will the Senator again yield?

Mr. ROBERTSON. I yield.

Mr. HILL. At the time these plants were authorized by the Congress and the legislation was passed we were not at war, but the plants were, as the Senator has said, in the first instance national defense plants.

Mr. ROBERTSON. I depart now from the theme I have had in mind to say that if I can make my position crystal clear by what I am saying about the steam plant project, this particular project, which I anticipate will be approved, and certainly I do not flatter myself

that what I am going to say will change a single vote in this distinguished body, it will have served a useful purpose when proposals are made for other steam plants, that cannot qualify, as it is claimed this one can qualify, as a part of a definitely authorized power of the Federal Government.

Do I understand the senior Senator from Alabama to claim that he is relying upon the commerce power of the Federal Government to build a steam plant primarily for the purpose of firming up power from a hydroelectric plant which we concede the Government had the right to authorize?

Mr. HILL. I should say both commerce and national defense—either or both.

Mr. ROBERTSON. Does the Senator from Alabama believe that if some State which has no power plant at all decides that it wants to get into the national defense program and bring new industries into the State, which, of course, would be turned over for war operations in the event of war, but which would otherwise build up prosperity in peacetime, it would have the right to come here and ask Congress to build a steam plant?

Mr. HILL. The Senator's question is rather involved. He talks about bringing in new industries. TVA has not brought in new industries. It has developed the indigenous resources of the Valley.

Whether or not in the case suggested by the Senator from Virginia Congress would have a right to build a steam plant would depend upon the circumstances. If the Government built a great dam for a governmental purpose, and it became necessary, in order to operate the dam on the most businesslike, economical basis, to build a steam plant so as to firm up certain power from the dam, I should say that the Government would have the right to build the steam plant to firm up the power from that dam.

Mr. ROBERTSON. That is fully conceded; but with all due deference, the reply is not responsive to my question. Will the Senator please give me a clear-cut and distinct reply to this question: Does the Congress have the power to build a steam plant wherever it desires, and wherever a community would like to have it? I should like to have the Senator answer yes or no to that question.

Mr. HILL. I should say that the Congress has no power to build a steam plant except for governmental purposes, or purposes incident to governmental purposes.

Mr. FERGUSON. That is begging the question.

Mr. HILL. My friend from Michigan says that that is begging the question. It is not begging the question at all. Congress has certain powers. Among them is the power to deal with national defense and commerce. I should say that for the purpose of national defense or for commerce, the Government would have certain powers with reference to building a steam plant. A steam plant is necesary for the best and most economical, business-like operation of a dam. If it is built for commerce or for navigation, in order that there may not be waste, and in order that the Government may realize upon its investment in the dam, then I should say that the Government could build a steam plant. In the Ashwander case the Supreme Court of the United States held that the Government, having built a dam for defense or commerce purposes, could also build transmission lines so that it might sell the power from the dam.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. ROBERTSON. Mr. President, I am very glad to have these suggestions, but I hope that my colleagues will help me to conform to the rules of the Senate. I can yield for a question only, unless I wish to be taken from the floor.

Mr. HILL. Mr. President, will the Senator yield?

Mr. FERGUSON. I shall try to obtain the floor in my own right.

Mr. HILL. Mr. President, will the Senator yield?

Mr. ROBERTSON. I yield for a question.

Mr. HILL. Is it not true that what the Senator has said might be taken as having some application to my answer to the Senator's question? Is it not true that the Senator asked me a question?

Mr. ROBERTSON. That is true. I think we face a very vital decision.

Mr. HILL. Is it not true that when the Senator asked me a question and yielded to me to reply, he himself was in violation of the rule?

Mr. ROBERTSON. Possibly I was; but if I have offended, it was in the interest of making a record which would show whether or not we intend to put the Government into the steam-plant business, the steel business, the flour business, or any other kind of business a community may want, or whether we intend to maintain the constitutional limitations upon governmental action and protect our inherited system of private enterprise.

Mr. HILL. Mr. President, will the Senator yield for a question?

Mr. ROBERTSON. I yield.

Mr. HILL. Does not the Senator agree with me that it is not always in the interest of the public business to enforce the rules too strictly? Is it not a fact that sometimes the informal discussion which takes place on the floor of the Senate contributes more to the public business than too strict an enforcement of the rule with reference to a Senator yielding only for a question?

Mr. ROBERTSON. I agree with that statement so far as debate is concerned.

I regret that I cannot conceive that we can squint now and then at constitutional provisions, and inch farther and farther along in the direction of undermining that instrument, and hope in perpetuity to preserve that great charter of our personal freedom.

Consider what has happened in Great Britain. The British have no written constitution. They can nationalize the banks. Our Congress cannot take over all the private banks. The British can nationalize the coal mines. Our Congress cannot take over the coal mines. The British can nationalize anything, until they have 100-percent socialism in Great Britain; and no instrument can stay them, and no court decision can block their progress.

I give thanks that they have held up on the plan to nationalize the steel industry. I should like to flatter myself into believing that the conversation which I had with Sir Stafford Cripps at a dinner in Washington last October may have had something to do with that. I told him in all frankness that I was 100 percent for helping Great Britain and the democracies of Europe, but that it chilled us when we saw Great Britain going to a system of socialism, which we did not think would function as effectively as a system of private enterprise. I told him that in my opinion, as we came back here the first of this year to vote additional ECA and other funds, it would hamper us in getting adequate support if Members of the Senate felt that the British Government was going down the road to socialism, which we felt would eventually nullify all the aid we have given them in behalf of their rehabilitation.

Mr. President, I should like to return to the suggestion which I made, that I feel this is a decision which may influence other decisions, and the other decisions may lead to further decisions which eventually may lead us to the out-and-out proposition that the Congress has the right and power to authorize a steam plant, a steel mill, or any other kind of plant it pleases anywhere in the Nation. Eventually such plants may be used for national defense or something else, but actually such a program would be an experiment in socialism, and I believe that it would be in direct violation of our written Constitution.

As soon as we can get to it we shall have before us the supply bill for the Interior Department, which carries appropriations for the Reclamation Service. I shall not attempt to be accurate to the dollar, but I will say off-hand that the total appropriation for that service is about $400,000,000. I find in that appropriation an item in the budget of $63,000,000 for a beautiful area of California called the Central Valley, extending for approximately 500 miles. The land is very fertile, and the people are fine and wonderful. They lack water. To give them water Congress has spent in the Central Valley, up to June 30, 1948, $229,513,223.

The Reclamation Service has planned projects the total cost of which will be $440,069,000, nearly twice the amount which has already been spent. The budget included an item of $63,000,000. The House reduced it 15 percent, leaving it at about $53,500,000 for the Central Valley for the coming fiscal year.

In that appropriation there is an item of $2,000,000 to start a steam plant which will ultimately cost $32,700,000. It is called the Delta plant. It is to be located at what I assume is a relatively small place, called Antioch. I never have visited that section. I hope and pray to live long enough to do so. I know there are many wonders in that area for me to see. California is the

second largest State in the Union. Some of my ancestors migrated to California when things were a little tough in Virginia, when it was said that there was gold to be found in California. I have many friends living there, and I have always enjoyed service in the House and Senate with the distinguished Representatives from California who come here as outstanding ambassadors of a great people. But, Mr. President, I tell you, following close on the decision that we make about the New Johnsonville steam plant will come a decision on the Antioch steam plant, which it is alleged will firm up the power from the Shasta Dam, 250 miles north of Antioch.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. ROBERTSON. I yield for a question.

Mr. FERGUSON. Does the Senator know the distance electric power can be economically transferred?

Mr. ROBERTSON. It used to be 200 miles. Now we are told it is 300 miles. I do not know. A better quality of copper wire is available now, and it seems there is some way of cutting down the resistance of wire which is used for the transmission of electric energy. I would not know for sure, but I certainly should say that even under the most favorable circumstances 300 miles would be the limit.

Mr. FERGUSON. So when a steam plant is proposed to be located 250 miles from the hydroelectric plant——

Mr. ROBERTSON. Then that is stretching it rather thin.

Mr. FERGUSON. Yes.

Mr. ROBERTSON. I shall come to that phase of the matter a little later.

Undoubtedly, Mr. President, if, as, and when the Antioch steam plant is constructed under the Reclamation Service, then we shall be told, "That is to firm up the power from the Shasta Dam." The power from it comes down the east side of the Central Valley to Antioch, and transmission lines are being constructed to Antioch or to that section of the State; and ultimately it will be desired, no doubt, to have the line go to the southern end of the Central Valley, an additional distance of approximately 250 miles, because I am told that the area is approximately 500 miles long. On several occasions the Reclamation Service has tried to obtain from Congress authority to build an extension line on the west side of the Central Valley, to start at the Shasta Dam and come down on the west side of the valley; but the Reclamation Service encountered opposition from the Pacific Gas & Electric Co., which said, "You have no right to parallel our lines and put us out of business." Since the Reclamation Service could not obtain from Congress authority to parallel the private-utility lines coming down from the Shasta district, now the Reclamation Service proposes to start at the other end and construct a $32,000,000 power plant; and if they get it, no doubt they will work up to the Shasta Dam, if they can obtain authority to do so.

But the point I wish to emphasize, Mr. President, is this: Unless we can clearly distinguish between the New Johnsonville project and the power of the Federal Government to build a steam plant anywhere it pleases, we shall be led from one thin argument to a still thinner argument, until finally we shall have no restraint left under the Constitution, unless we adopt the amendment which I understand is later to be proposed by the Senator from Michigan, namely, an amendment to give the taxpayers the right to go into a court in the District of Columbia and test the issue.

My second point in opening this discussion was that it is my information and belief that if it is necessary to firm up the power from one or more of the hydroelectric plants in the Tennessee Valley, the current necessary in that connection can be procured from private industry. My reason for saying that is that at our hearing a witness by the name of Philip Sporn appeared. He said he was president of the American Gas & Electric Co. His testimony will be found at page 352 of the committee hearings. I shall read only several paragraphs of it because his entire testimony was rather long, and I do not wish to encumber the RECORD or impinge upon the patience of other Senators. Mr. Sporn in his statement to the committee, among other things, said this:

> The American Gas & Electric Co. is a holding company, one of the first to secure approval under the Public Utility Holding Company Act of 1935. It owns all the stock of a series of operating utilities with an integrated electric system serving parts of Michigan, Indiana, Ohio, West Virginia, Virginia, Kentucky, and Tennessee. It supplies electricity to over a million customers.
>
> SUMMARY
>
> The situation of American Gas & Electric Co. in relation to TVA and our position in regard to the New Johnsonville steam plant can be summarized as follows:
>
> 1. Since 1941, American Gas & Electric has had contractual arrangements with TVA which have provided limited benefits to both systems. On our part, however, we have always urged the Authority to join with us in exploring the opportunities for a comprehensive coordination or power-pooling arrangement. We believe that a coordination arrangement could convert several hundred thousands of kilowatts of our off-peak steam and of TVA's secondary hydro into more valuable firm power. The result would be a saving to both systems of many millions of dollars in capital investment that would otherwise have to be put into new firm generating capacity. These savings would benefit the Federal Treasury and the owners of American Gas as well as the customers of both systems. The savings, moreover, would be further reflected in conservation of electrical equipment and other resources.

Mr. President, I now turn to page 358 of the same committee hearings, and in the testimony of the same witness I find his conclusion, as follows:

> CONCLUSION
>
> The American Gas & Electric Co. opposes the present proposal to appropriate funds to commence construction of the New Johnsonville steam plant.
>
> We believe that a genuine study of comprehensive coordination between TVA and systems like our own should precede any construction of new steam facilities in the TVA area.
>
> We believe that such a study would disclose that coordination is a feasible and, for the present and some years to come, a preferable alternative to steam installations in the TVA area.
>
> We believe further that steam expansion by TVA, which was initially conceived as a hydro system incidental to navigation and flood control, is a radical departure from the present law and requires a substantive amendment to the original TVA statute.
>
> Any authorization to install steam facilities would convert TVA from a naturally limited hydro system to a system with unlimited possibilities as to capacity. Therefore, we believe that if and when Congress undertakes to pass enabling legislation to permit the construction of steam facilities, such legislation should, at the same time, deal with the problem of territorial boundaries for the TVA and with the problem of rate subsidies.

Mr. President, I cannot put my finger on the testimony, but I understand that the record will show that Mr. Clapp, of TVA, informed that company that he did not care to discuss that proposal with it until he had first obtained his steam plant. No doubt after he obtained the steam plant he would come to the consideration of the last concluding line of the testimony of that private utility executive, who said that it should deal with the problem of territorial boundaries for the TVA.

Probably he would take the position which was so eloquently and frankly taken yesterday by the distinguished senior Senator from Alabama [Mr. HILL], who said that the production and distribution of electric energy was inherently of a monopolistic character, and that the Government and private industry could not hope successfully to function in the same area.

Mr. HILL. Mr. President, will the Senator yield?

Mr. ROBERTSON. I yield for a question.

Mr. HILL. I quoted to that effect Mr. Wendell Willkie, former president of the Commonwealth & Southern Corp., which was the holding company of the Alabama Power Co., the Tennessee Electric Power Co., the Georgia Power Co., and several other power companies in the Midwest, one in Ohio, and some in other States. I quoted Mr. Willkie's statement to that effect.

Mr. ROBERTSON. I am quoting the distinguished Senator's remarks from memory. I listened with great interest to him, and I realize that he quoted Mr. Wendell Willkie. But I understood, and naturally assumed, that he was quoting him with approval.

Mr. HILL. I did, and I do. Mr. President, will the Senator yield to permit me to make a brief observation?

Mr. ROBERTSON. If the Senator will make an observation with a question at the end of it, I reckon I can yield.

Mr. HILL. Is it not true that in connection with this public utility, particularly the power business——

Mr. FERGUSON. Mr. President, will the Senator yield for a unanimous-consent request?

Mr. HILL. No. I appreciate that. I have put it in the form of a question.

Mr. FERGUSON. Will the Senator allow me to straighten this out?

Mr. ROBERTSON. Let the Senator from Alabama ask the question.

Mr. HILL. I ask the Senator from Virginia, is it not true that in the power business it is neither businesslike nor to

the interest either of the producers of electricity or the consumers of electricity, that there be parallel lines?

Mr. ROBERTSON. I think competing parallel lines are very wasteful, and where they exist, I think I can make a hasty guess as to which competitor will eventually come out ahead. I do not believe where a private industry tries to buck and compete with the Government the Government is going to lose indefinitely. I think the Government will win.

Mr. HILL. Mr. President, will the Senator yield for a question?

Mr. ROBERTSON. I yield.

Mr. HILL. With reference to Mr. Sporn's statement, from which the Senator read, I note that he simply wrote a letter to the Senator from Tennessee [Mr. McKELLAR], chairman of the Senate Committee on Appropriations, enclosing therewith what he called a memorandum. It is from the memorandum, so designated by Mr. Sporn, that the Senator from Virginia has quoted. Does the Senator know why Mr. Sporn, if he really was interested in the matter and really felt the compulsion of the seriousness of his case, did not appear personally, or ask to appear personally before the committee?

Mr. ROBERTSON. I assume it was because we instructed our clerk to inform all witnesses we were pressed for time, we could not give them more than 10 minutes for oral statement, we would prefer that they cut it down to 5, but they could submit all the statements they wanted for the record. Some, rather than come from New York orally to say in 5 minutes what would take them an hour to cover in extenso, merely sent their statements down to the committee, and we placed them in the record.

Mr. HILL. Mr. President, if the Senator will yield further, does he not think that if Mr. Sporn had been very much interested in the matter, he would have appeared personally before the committee, even though he had had but 5 minutes in which to state his case, knowing that if he appeared for 5 minutes in person, he would still have the right to put anything else he wished in the record?

Mr. ROBERTSON. Interest is one thing; hope and expectation is another. We heard it said in this Chamber not long ago that "Hope long deferred maketh the heart sick." Mr. Sporn had been negotiating for some time with Mr. Clapp to get this arrangement. Mr. Clapp had told him he did not care to discuss it until he got the steam plant.

Mr. DONNELL. Mr. President, will the Senator yield for a question?

Mr. ROBERTSON. I yield to the author of my quotation.

Mr. DONNELL. The Senator will recall I made a correction of that, the next day, stating that the Senator from New Hampshire was correct in his quotation, namely, that "Hope deferred maketh the heart sick."

Mr. ROBERTSON. I had sufficient confidence in the Senator from Missouri and his unbounded knowledge of the Bible that, when he challenged "Hope deferred maketh the heart sick," and said "Hope long deferred maketh the heart sick" was correct, I merely jumped to the conclusion that I would back up my friend from Missouri on anything he said about the Bible. But, anyway, it is a question of hope that is involved, and the witness from New York, I am satisfied, did not have any hope, but he did want his views incorporated in the record.

I must hurry on, because, frankly, I have spoken much longer than I had intended, to my third point, which has some reference to our fiscal situation. I wish to emphasize the fact that the steam plant is not going to break us. I wish to emphasize the fact that I do not begrudge any benefit to the great area in which it is to be built, the prosperity of which will contribute undoubtedly to the prosperity of the whole. I am sure that if we had all this power there, it would be possible, if we should become involved in another war, to convert some plants in that area or build new plants which could contribute to the national defense. But I think it will not be challenged that this steam plant will not be built and completed under 4 years, and it may take longer. I hope our statesmanship will have vision enough and ability enough to work out some solution for the cold war, which is costing us now $8,000,000,000 or $10,000,000,000 a year, and that the cold war will not eventually be succeeded by a shooting war. I think it is possible to work that out. Certainly I earnestly hope that it can be done.

In the meantime, though, Mr. President, we face what I regard as a very serious financial situation. The pending bill is the first appropriation bill upon which we have been called upon to act, and it is a deficiency bill. What is a deficiency bill? A deficiency bill is a bill to supplement authorized and pending appropriations. All the money authorized in a deficiency bill is expected to be spent before the end of the fiscal year in which the bill is passed. In other words, when we pass the first deficiency bill carrying approximately $500,000,000, we contemplate that an additional $500,000,000 over and above the appropriations for various purposes contained in the regular budget will be spent between now and June 30 of the present year.

Is that all? I regret it is not. Before we could act on the first deficiency bill, the House passed another deficiency bill. The second deficiency bill carries about $700,000,000. That is $1,200,000,000 more than is in the regular budget, to be spent before June 30, 1949, assuming the Senate Committee concurs in the House action, and I have no reason to assume that it will not.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. ROBERTSON. I yield.

Mr. FERGUSON. Does the Senator realize that yesterday the House passed the third deficiency bill that will call for $595,890,000, which came to the Senate today, and that there is an emergency committee meeting at 1:30 which we are unable to leave the floor to attend?

Mr. ROBERTSON. Yes, I fully realize that, and I shall mention that as No. 3, after mentioning 1 and 2.

Mr. FERGUSON. The third deficiency bill is for more than one-half billion dollars.

Mr. ROBERTSON. That is the third deficiency bill that the House acted on today. We are told to act on it in a hurry, because the Veterans' Administration will be completely out of cash within 10 days, and they need $595,000,000 more to meet current obligations.

When the President sent Congress his budget in January of this year, he anticipated a deficit of $600,000,000. I have been told that he then contemplated some deficiency requests. I cannot believe that he contemplated sending up a deficiency request for $1,700,000,000. I cannot help but believe therefore that the anticipated deficit for the fiscal year will be more than $600,000,000. How much more, I have no way of knowing. But if I were to hazard a guess at the moment, I should guess that it would be in excess of $1,000,000,000—$1,000,000,000, when 1943 was the year in which the American people had the highest income in the history of the Nation.

I do not believe, Mr. President, that when the President estimated a deficit of $600,000,000 for fiscal 1949 he took into consideration that there would be signed and no doubt ratified a treaty of cooperation, which we call the North Atlantic Pact, or that within a few days after the foreign ministers of 11 cooperative countries met in Washington and signed that historic document, six or seven of these countries would notify us that they wanted and needed immediate military aid. I do not know how much that military aid will be, but I have heard estimates ranging all the way from a billion to $2,000,000,000.

Mr. President, I do not believe that when the President estimated a deficit of $600,000,000 for this fiscal year he knew the Appropriations Committee of the House would increase his recommended appropriation for the armed services from approximately fourteen and a half billion dollars to nearly $16,000,000,000. Yet that is what has happened. There are included 58 air units or squadrons which may be very necessary.

We are considering in full committee the first regular supply bill. The House has acted on all except two supply bills. The Senate Appropriations Committee has not acted, in full committee, on anything except the pending deficiency bill.

I was a little shocked and greatly dismayed when, day before yesterday, I picked up the subcomittee report on one supply bill for the fiscal year 1950 and found that the subcommittee had recommended an increase in the amount of the appropriation recommended by the House of approximately $188,877,000, which makes the total of the bill some $542,000,000 more than the appropriation for the fiscal year 1949.

So, Mr. President, we do not know what we shall appropriate for ECA, but it is likely to be in the neighborhood of $5,000,000,000. We do not know what will be appropriated for lend-lease or some other type of aid under the North Atlantic Pact, but it will certainly be a substantial sum. Even if we take a part

of it or much of it from the appropriations for our own defense establishment, we know that every bill which comes before the Senate Appropriations Committee results in the most urgent demands, on all sides, to increase the amount. I am sure every member of the committee knows that to be true. Increases are asked for reclamation projects, river and harbor improvements, flood control, and for all Federal offices. There has not been a single agency or group that has been satisfied with the appropriations recommended by the House of Representatives.

So, Mr. President, I am becoming very uneasy about the situation. I do not expect, of course, to stop anything in the pending first deficiency bill. I know the bill will be approved; I feel satisfied it will be, anyway. But I consider that I owe it to myself and to the great constitutency which I have the honor in part to represent to explain, first, why I shall vote against the establishment of the steam plant, and, second, why I think the adoption of that item, in the absence of a very clear and definite agreement on the floor of the Senate that it is not to be a precedent for the establishment of steam plants generally over the Nation, may result in putting us in such a position that, wittingly or unwittingly, we may undermine the Constitution and the American system of private enterprise.

Mr. President, I do not want to make any invidious comparisons. I do not want to criticise what is happening in any part of the Nation, but I have told the Senate what is being spent in the Central Valley of California, which is a wonderful area, containing wonderful people. There are only a million and a half persons in that area, but there are pending projects which will cost in excess of $440,000,000. We have already spent in that area a per capita sum, based on the 1943 population, of $192.34. When the project is completed, it will be double that amount. If we multiply 384 by 440,000,000 we will reach an astronomical figure of expenditures for domestic improvements.

Mr. President, I feel that we are facing a solemn choice between conserving our assets, in order that we may remain financially solvent and strong, and directing what available money we have into the most essential undertaking that any nation could have, namely, to stay out of war, because, certainly, nothing could be more expensive or disastrous than another war. Sooner or later I think we must face that choice. As a member of the Appropriations Committee, I shall do what I can to cut down foreign aid to the minimum I feel is necessary in order to do an effective and efficient job. I do not want to hamstring it; I do not want to be "too little and too late"; but I feel that if we can make some cuts, it will help us in what I deem to be the most essential undertaking we can have, namely, good, sound projects for ourselves. Some projects certainly cannot be said to be essential. They may be quite desirable and calculated to lift up our general prosperity and standard of living. I do not challenge those things. But, certainly, we cannot do for everyone in the United States what we are doing for a million and a half persons in the Central Valley of California.

Certainly we cannot establish steam plants and power plants all over the Nation. We do not have the funds with which to do it.

Mr. President, my interest in the fiscal affairs of the Federal Government did not commence in January, when I was assigned to the great Senate Committee on Appropriations, of which my distinguished predecessor, Carter Glass, was once the honored chairman. Neither did it begin when I was assigned to the Committee of the House of Representatives which has to raise revenue for the Government, where I participated in writing 12 tax bills, each one of which raised the taxes of the American pepole. I learned how much easier it is to spend than it is to lift an equivalent tax from the pockets of discouraged and disgruntled taxpayers. My interest in the fiscal affairs of the Government commenced with my nomination to the House of Representatives in the summer of 1932. No one campagined more vigorously than did I in behalf of that splendid platform which was written in Chicago and in which we committed the Democratic Party to economy, and promised, if elected to office, to reduce expenditures of the Government by 25 percent. We found we could not carry out that promise. We found that the depression was so severe and suffering was so great that we would have to do something in the way of a relief program. So I did something in the way of a relief program. I voted for a number of relief measures.

In January 1935 when we had outstanding appropriations and authorizations of $5,000,000,000, we were sent a new relief bill totaling $4,800,000,000. I was literally astounded when I faced up to that bill. To prove to my colleagues that my interest in the fiscal soundness of our Government is not a new and recent one, I shall take the privilege of quoting several paragraphs from a speech I made in the House of Representatives on January 24, 1935, against the appropriation of $4,800,000,000. Before I quote, I wish to admit that the speech, so far as I know, did not change any votes. On the final passage of that $4,800,000,000 bill there were 329 yeas, 78 nays, and 24 not voting. In other words, of 435 Members of the House, only 77 in addition to myself took the position that we were headed for a dangerous experiment in public spending.

When the bill got to the Senate it was passed, yeas 68, nays 16, not voting 11. Of a total Membership of 96 in the Senate, only 16 took the position that we should not appropriate at one time $4,800,000,000 on top of previous appropriations for relief which had not been expended of $5,000,000,000.

Mr. President, I wish to quote, and I hope briefly, from what I said in January 1935 because I frankly think that what I said then is just as true now as it was then, except that the trend has gone far beyond what I anticipated when I made those observations. I quote from the speech I made in the House of Representatives:

My observation of private financial transactions has been that when an individual, firm, or corporation continues to spend more than he or it earns, bankruptcy is the probable end. For 6 years I was legal adviser to the board of supervisors of my home county—the agency that prepares county budgets and levies county taxes. That experience convinced me that a big bonded debt was a great handicap to any county, and that after it reached a certain proportion of taxable assets repudiation would be the result. For 6 years I served in our State senate and for 7 years as the head of a State department. My experience with State financial affairs convinced me that a large bonded indebtedness was a dangerous thing. Following the World War motor transport developed by leaps and bounds in the United States, and with the widespread use of motorcars and trucks came a widespread demand for improved highways on which they might operate. In Virginia there was a bitter and long drawn-out fight over whether these improved highways should be built with the proceeds of a $50,000,000 bond issue or from current revenue. When that issue was ultimately submitted to the Virginia electorate it voted overwhelmingly for a pay-as-you-go policy in road construction. While sister States and political subdivisions thereof were freely spending the proceeds of tremendous bond issues, Virginia and the political subdivisions thereof kept relatively free from bonded debts.

I wish to digress there to say that during and immediately preceding the war years Virginia put into the retirement fund an amount sufficient to pay off completely her debt, a part of which she had inherited from the War Between the States. I continue reading:

As a result, when the depression came, Virginia was better able to weather the storm than many States, and ultimate recovery in Virginia, if the taxpayers of that State are not bowed down by an overwhelming national debt, will be more rapid than in some States. And the financial integrity of the Commonwealth of Virginia was preserved not only by refusing to expend the proceeds of bond issues but by making personal sacrifices during the depression. The appropriations for all State activities were drastically reduced, and the salaries of all State employees were cut, not 5, 10, or 15 percent, but 30 percent.

It is with this background, and representing in the House a section of Virginia that was settled and developed by industrious and thrifty Scotch-Irish and Dutch, that I approached the pending proposal to add to the present appropriated and unexpended sum of $5,000,000,000 an additional appropriation of $4,800,000,000. The pending resolution places the entire sum in the hands of the President to be expended as he thinks best. We have been given assurances that the President will personally supervise the expenditure of this huge sum. In my opinion, that will be physically impossible.

Mr. President, I shall skip a little, and come to this paragraph:

I would not undertake to speak dogmatically as to what is wise and what unwise, what is safe and what unsafe, with respect to a national spending program and a tremendous national debt, but will content myself with the mere expression of the personal opinion that the present spending tendency is neither wise nor safe. I roughly estimate that Virginia's share, as the seventh largest taxpayer in the Nation, of the proposed appropriation will be about $250,000,000, or

equal to the entire cost of operating our State government for half a decade. I do not feel that any benefit that Virginia will receive, directly or indirectly, from the total expenditure will be commensurate with the burden of the repayment of Virginia's share of the debt.

When I was a boy an old farmer used to tell me, "The tendency of everything is to be more so." The tendency of a Federal spending program is undoubtedly to be more so. Close on the heels of this bill will come the demand for the immediate cash payment of the adjusted-service certificates. I for one do not feel that I could consistently vote for the current appropriation and then deny my comrades of the World War the payment of a debt already contracted on the ground that the national credit and the public welfare could not stand the payment. I will not undertake to enumerate the other demands of group benefit payments and social-reform measures nor the socialistic proposals that have been made that will involve a continuing operating expense as well as direct injury to private business through Government competition. But I do not feel that I am extravagant when I estimate that the demands for the coming fiscal year could easily run our national debt to $40,000,000,000, and since it is so easy to spend when we abandon a tax-levying pay-as-you-go program, our commitments for the 1937 budget could easily reach $50,000,000,000.

Mr. President, that was the prediction I made in January 1935, that commitments could easily run our debt up to $50,000,000,000, which at that time was far in excess of the authorized debt of the Nation.

I look backward from the present-debt situation, when the debt is five times $50,000,000,000. I was greatly alarmed and disturbed at the prospect of a debt of $50,000,000,000. I thought it would be very dangerous to our economy.

Oh, how we can be lulled into a feeling of false security when we embark upon a spending program, and pay for it by deficit financing, the issuance of bonds, which is only one step from printing press money, adding to the public debt, which is passed on for succeeding generations to pay.

I predict, Mr. President, that with the present debt standing at approximately $252,000,000,000 with billions of bonds representing that debt in the hands of banks and corporations, if in a period of great prosperity we deliberately adopt a program of deficit financing, and wind up this year with a deficit of a billion dollars or more, and go into the next year with a prospective deficit of $2,000,000,000 or more, the time will come when those who hold our evidences of debt and promises to pay will try to get rid of them. Once the banks and the corporations call on the Government to redeem, it will break down the open market operations of the Federal Reserve Board, and the Congress will not find the money to give to the Federal Reserve Board to sustain its open market operations. If the value of those bonds ever breaks as much as 10 points—and after World War I, 4-percent Liberty bonds went down as much as 20 percent, while our Government bonds now are on the average 2 percent bonds—I predict it will be the beginning of fiscal chaos in this Nation.

It is therefore, Mr. President, primarily not my object to challenge an improvement in Tennessee, not to take a position against the beloved chairman of my committee on the project in which he is interested, but fundamentally to call the attention of the Senate to two things: One, we are facing here a precedent on the subject of authorizing steam plants. Two, we face budget and fiscal problems which should certainly give us pause.

Mr. McKELLAR. Mr. President, the Senator from Virginia has spoken of the amount of money proposed to be appropriated under deficiency bills this year. The amount of money contained in the first deficiency appropriation bill is not large when compared with deficiency appropriations of last year.

Last year House Joint Resolution 470 contained a deficiency appropriation of $500,000,000. The first deficiency appropriation bill, 1948, contained $778,000,000. The supplemental national defense bill, which was a deficiency bill, contained $959,000,000. The second deficiency appropriation bill contained $549,000,000. The supplemental 1949 bill contained $15,000,000. The urgent deficiency bill contained $136,000,000. Making a sum total of $2,929,337,106 in deficiency spending last year, as compared with the bill now before us containing $538,000,000, which is about one-sixth the amount appropriated in deficiency bills last year. Last year we appropriated in deficiency appropriations $2,929,337,106. The amount contained in the pending deficiency bill is not a slight reduction over last year; it is a tremendous reduction over what was appropriated last year. Yet I find the distinguished Senator from Virginia, who is a member of the Appropriations Committee, taking the committee to task by reason of its excessive spending this year.

Mr. ROBERTSON. Mr. President, I certainly have not criticized the committee. I certainly commend its distinguished chairman for bringing out deficiency bills of a smaller amount than were brought out last year. All I was trying to show was that last year when deficiency appropriations totaled nearly $3,000,000,000 we had an estimated surplus of more than $4,000,000,000, and now we have an estimated deficit of more than $1,000,000,000. That makes a difference of $5,000,000,000 in our latitude of operations.

Mr. DONNELL. Mr. President, yesterday the Senate listened to a most interesting and instructive address by the junior Senator from Michigan [Mr. FERGUSON] with respect to certain legal and constitutional phases of the New Johnsonville steam-plant proposal. I am in sympathy with the apprehension expressed by the junior Senator from Michigan with respect to the danger of governmental activities along socialistic lines being constantly and vastly extended. I take the view, in which I understand him to believe strongly, that constant watch should be interposed against gradual wearing away of congressional observance of the Constitution.

On February 1, 1886, Mr. Justice Joseph P. Bradley, then a member of the Supreme Court of the United States, referring to a compulsory production in a suit of private books and papers of the owner of goods sought to be forfeited in the suit, expressed the view that such production is the equivalent of an unreasonable search and seizure within the meaning of the fourth amendment of the Constitution of the United States. Of the proceedings in question, he said:

> It may be that it is the obnoxious thing in its mildest and least repulsive form, but illegitimate and unconstitutional practices get their first footing in that way, namely, by silent approaches and slight deviations from legal modes of procedure.

Mr. Justice Bradley in the same decision further declared:

> It is the duty of courts to be watchful for the constitutional rights of the citizen and against any stealthy encroachments thereon. Their motto should be obsta principiis.

The distinguished jurist then made this observation:

> We have no doubt that the legislative body is actuated by the same motives, but the vast accumulation of public business brought before it sometimes prevents it on a first presentation from noticing objections which become developed by time and the practical application of the objectionable law.

Mr. President, the learned Justice employed a Latin expression, "obsta principiis." The present-day English equivalent of that expression is withstand beginnings.

I take the view, in which I understand the Senator from Michigan strongly to concur and actively to advocate, that not only should those words be a motto of the courts, but that they should also be constantly followed by the Congress.

So, Mr. President, as I stated, I am in sympathy with the apprehension of the junior Senator from Michigan, and I join with him in the view that the constant watch to which I have alluded should be interposed against gradual attrition of congressional observance of the Constitution.

Mr. President, although I share the apprehension of the junior Senator from Michigan, as applied to the instant case and to others, with respect to constant expansion of governmental activities along socialistic lines, and the danger of such expansion, I find myself unable to join with him in the view that the appropriation of funds for the beginning of construction of the New Johnsonville steam plant would constitute a violation of the Constitution.

It becomes of importance in this discussion to consider what are the facts as disclosed in this case. I appreciate the fact that the distinguished Senator from Michigan, the eminent Senator from Virginia [Mr. ROBERTSON], and our able and revered Senator from Tennessee [Mr. MCKELLAR], chairman of the Appropriations Committee, are, by reason of their membership upon that committee, far better informed upon the de-

tailed facts of the situation than am I. Yet, Mr. President, I think the hearings and the report of the House committee, and the statements made upon the floor enable every Senator to understand at least the salient, important, predominant facts in this matter.

In undertaking to recapitulate the facts as I understand them, I invite attention to the letter addressed by Mr. Gordon R. Clapp, Chairman of the Tennessee Valley Authority Board, under date of January 25, 1949, to Hon. CLARENCE CANNON, chairman of the Committee on Appropriations of the House of Representatives. The letter appears in full in the hearings before the subcommittee of the Committee on Appropriations of the House of Representatives, at pages 13 and 14 of those hearings. I shall not read all the contents of the letter unless it be desired that I do so. I quote what I consider to be salient features of the letter, indicative of the situation which is presented this afternoon to the Senate. Mr. Clapp says:

The need for and urgency of additional generating capacity in the Tennessee Valley is more apparent now than it was last spring.

Then, after some intermediate discussion and statements of fact, he points out something as to the increase in residential and farm use of electricity. In order that that may be before the Senate, as well as the point to which I shall pay special attention in a moment, I read the four sentences which next appear in Mr. Clapp's letter, previously mentioned:

Residential and farm use of electricity in the TVA power service area has more than doubled since the end of the war. More than a quarter of a million new consumers have been added to the distribution systems in the last 3 years. As a result, the percentage of farms electrified has increased from less than 30 percent at the time of the 1945 census of agriculture to nearly 60 percent today. The increase is continuing at the rate of 1 percent a month. The municipal and rural cooperative distributors of TVA power plan to build 40,000 miles of rural lines during the next few years to serve 200,000 additional consumers. These plans, which are heartening as signs of regional vitality and national strength, are wholly dependent upon continued growth in the farm power supply of the TVA system.

Next, Mr. President, I invite special attention to the following paragraph in the letter, which I think is of particular importance:

This region is a major producer of chemicals, aluminum, and ferro-alloys, which are required in large quantities for sustained maximum national productivity, and which require enormous amounts of power.

I emphasize the next significant sentence:

A power shortage would force interruptions in the production of these vital materials and handicap the Nation's ability to prepare for national emergencies.

I digress to suggest that no greater national emergency could be in the mind of any person, whether Mr. Clapp or anyone else, than the possible national emergency of war at some future time. He points out, as I have indicated, that a power shortage would force interruptions in the production of the vital materials which I have mentioned—chemicals, aluminum, and ferro-alloys—and would "handicap the Nation's ability to prepare for national emergencies."

Continuing, Mr. Clapp says:

A power shortage at any time is a serious condition for any region to face; it would be especially damaging in this area in view of the kind of industry located here. Surveys by the National Security Resources Board show that, aside from the Northwest, this area is in more serious need of expansion of power supply than any other part of the country.

Mr. President, I invite special attention at this time to that portion of the letter before reading somewhat further from it. I do so bearing in mind the fact that yesterday the distinguished junior Senator from Michigan [Mr. FERGUSON] made on the floor of the Senate what I know he believed to be a correct statement of fact, which I quote as follows from page 4455 of the CONGRESSIONAL RECORD of yesterday:

I am sure the record will show the TVA was conceived in 1933, not for national defense but solely under the commerce clause of the Constitution, which provides for the right to regulate streams with respect to flood control and navigation. It was not constructed as a part of the national defense.

If the United States Government wished to erect a steam plant as part and parcel of the atomic-energy plant, I would not contend that it could not do so because that would be directly for national defense, and it could be done. However, the Tennessee Valley project was started in 1933, not as a national defense project but as a flood-control and navigation project. Muscle Shoals is different and the Watts Bar steam plant is different.

Mr. President, with all respect to my esteemed friend from Michigan, I am unable, from an inspection of the act of Congress under which there was created a body corporate by the name of the Tennessee Valley Authority, to agree with him in the conclusion which I have just read, that the TVA was not conceived for national defense, and was not constructed, as he told us yesterday, as a part of the national defense. At this point I read from the first section of Public Law No. 17 of the Seventy-third Congress, approved on the 18th day of May 1933:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That for the purpose of maintaining and operating the properties now owned by the United States in the vicinity of Muscle Shoals, Ala., in the interest of the national defense and for agricultural and industrial development, and to improve navigation in the Tennessee River and to control the destructive flood waters in the Tennessee River and Mississippi River Basins, there is hereby created a body corporate by the name of the "Tennessee Valley Authority" (hereinafter referred to as the "Corporation").

So, Mr. President, I submit that the act of Congress under which the Tennessee Valley Authority was created not only fails to substantiate the view, suggested yesterday, to the effect that the Tennessee Valley Authority project was not conceived in the interst of the national defense, but, on the contrary, lists as the first of the three purposes of that act "the interest of the national defense."

The letter from Mr. Clapp, from which I have already quoted the paragraph beginning with the words "This region is a major producer of chemicals, aluminum, and ferro alloys," emphasizing as it does a power shortage which would "handicap the Nation's ability to prepare for national emergencies," indicates indisputably that one of the prime purposes in the mind of the proponent of this matter, Mr. Clapp, was to preserve and increase our power of national defense. I think that will have a very important bearing upon our consideration of this matter.

Mr. Clapp's letter continues, and there is some intervening matter which, in the interest of brevity, I shall not read. Then Mr. Clapp says:

There is no practical alternative to a steam plant at the New Johnsonville site in the solution of this area's power supply problem.

Madam President (Mrs. SMITH of Maine in the chair), the letter continues as follows:

The proportion of steam to hydro capacity in this area, which has been falling rapidly, is now too low for maximum effectiveness of the hydro developments. Additional steam power will firm up more of the hydro generation, which is much smaller in dry years than in years of normal stream flow.

Madam President, in reading the foregoing, I emphasized, or attempted to do so, the words "firm up," because I think the matter of firming and the purpose of the requested appropriation to "firm up" the hydro generation is of great importance in connection with the determination as to whether the proposed appropriation is constitutional.

Further on in the letter, Mr. Clapp says:

Even a moderate drought could curtail the productivity of the entire area for several months.

Again I shall attempt to emphasize the words "firming up," as I read the following portion of Mr. Clapp's letter:

The great importance of the New Johnsonville steam plant in firming up the hydro energy under such conditions is indicated by the fact that each of the three generating units can be called upon, when needed, to add about a billion kilowatt-hours a year to the dry-year energy supply.

On page 17 of the testimony of Mr. Clapp before the House subcommittee, this language appears—and again I shall emphasize the words "firm up":

The fact that these are multiple purpose dams places certain practical limitations upon their use in the production of electricity, and in order to get the best use of the controlled water in the Tennessee River system, we use steam plants to firm up the hydro power that is otherwise available in large quantities only during certain seasons of the year.

Then, at pages 25 and 26 of the hearings before the House subcommittee appears the following; the interrogation is by Mr. RABAUT:

Mr. RABAUT. Give us the story about the development of this power and tell us about it, in your own way, for the record.

Mr. CLAPP. This system that has grown over the years in the Tennessee Valley is, of course, primarily a hydro system built out of these dams that have been put on the river for flood control and navigation and for all the power that we can get out of them without conflicting with the primary purposes of flood control and navigation.

Mr. WIGGLESWORTH. Incidental power?

Mr. CLAPP. Power incidental to the flood-control and navigation purposes.

Continuing, Mr. Clapp says:

Now, as that power began to build up from these dams we began to work out agreements with the communities. There are now 144 municipalities and rural electric cooperatives that buy this power from the TVA and resell it to the areas which they serve.

Steam power was a part of that system to begin with. This was an extremely flashy river. There were great variations in the flow of the stream betwcen the lowest water periods of the year and the highest water periods of the year when the destructive floods took place; consequently, you could not depend on that river for much hydroelectric power around the calendar.

Now, the addition of the dams on the main river and the tributaries which now provide a unified system of 27 major dams in the Tennessee Valley has, of course, reduced that wide range of fluctuation in water flow as between the lowest water period of thc year and the highest water period of the year.

We take the top off the floods when they come and we are able to store water during the flood season and put something on to what would otherwise be almost a trickle in parts of the river.

Then, the concluding sentence of the observation by Mr. Clapp reads, very significantly, as follows:

Even so, with the addition of these dams and the reduction of this wide range in variation of the stream flow, it has always, from the beginning of this system, been an efficient thing to have available steam plants that could be put on the lines and run during the time of low water.

So the testimony which I have read clearly indicates as I see it that among the outstanding ideas, if not the predominant idea in the mind of Mr. Clapp in his testimony, speaking as Chairman of the Board of the Tennessee Valley Authority, was the idea of firming up the power so that even though the stream should subside, even though the strong, tremendous current at high peak should not prevail, the user of the current would by reason of the existence of the steam plant be able to have an uninterrupted source of current for his use, private or industrial, as the case may be.

Madam President, I pause to say that of course we are not bound by the statements of Mr. Clapp. I think they are of great importance, but to my mind the Senate is entitled, independently of the statements of Mr. Clapp, from the knowledge of its own Members, to realize the importance, first, of this steam-plant proposal from the standpoint of firming up power, and, second, the tremendous importance of adequate power production in the Tennessee Valley region from the standpoint of the chemical, aluminum, ferroalloy situation and its bearing on the national defense.

Yesterday, Members of the Senate made certain statements of fact and statements of opinion with respect to the purpose of the steam plant, bearing on the question, I take it, as to whether this is a new line of business, a socialized effort on the part of the Government to engage in some independent business, as it might engage, for illustration, in the shoe business or the steel business, or whether the predominant purpose is to firm up the power which is an incidental outcome of the erection of the dams which are placed in their present position, as I see it, for three purposes: One, for defense, one for navigation, and one for flood control. I quote at this moment from certain of the statements which were made on the floor yesterday. I observe certain statements made by the junior Senator from Tennessee [Mr. KEFAUVER], who is no novice in legislative matters, having served as he has, with distinction in the House of Representatives, and coming, as he has, to the Senate, with demonstrated ability and capacity. The junior Senator from Tennessee, at page 4445 of yesterday's RECORD, said:

The testimony shows that during an average year they need the proposed stand-by plant for 3 months of the year in order to bring the firm power up by 3,000,000,000 kilowatts, which would enable the TVA to take care of its contractural commitments.

Then, Madam President, the following interrogation by the Senator from Minnesota [Mr. THYE]:

In other words, there will be an ample supply of water 9 months of the year to operate all the installed hydroelectric units at full capacity; is that correct?

The junior Senator from Tennessee responded:

The answer is given, I think, more clearly than I could give it, on page 197 of the hearings, in this paragraph:

"The New Johnsonville steam plant, by firming up additional portions of the power available from the hydro plants of the TVA system, will make possible an increase in firm power of about 3,000,000,000 kilowatt-hours a year. To do this, it will be necessary to operate the New Johnsonville plant about one-third of the time, generally at full load, in addition to the present use of the existing TVA steam plants, to supplement the seasonal secondary hydro generation."

A little further occurs the following interchange:

Mr. THYE. In the event the funds are not made available, so that this steam plant is not provided, then hydroelectric generating equipment sufficient to utilize the maximum estimated generating capacity of the water supply could not profitably be installed, because there would be a season of the year when there would be an inadequate supply of water, although at that time, of course, the demand for electricity would be just as great as it would be at the time of the maximum of the water supply. So what the Senator is trying to do with the steam plant is to fit it into the hydroelectric units, so that when the water supply is ample the steam plant will stand idle; but when the water supply tapers off to a low level, the steam plant will be brought into operation, to supplement the electricity generated by means of the water supply. Is that the intention?

Mr. KEFAUVER. Exactly; the Senator has certainly expressed it very clearly.

As matters now stand, the Tennessee Valley Authority is losing 3,000,000,000 kilowatts for 3 months of the year.

Mr. THYE. The Senator says there is ample demand for the maximum load of both the water power and the steam power if and when the steam power is made available; is that correct?

Mr. KEFAUVER. That is true.

Mr. THYE. In other words, there is ample demand now, without searching for and encouraging development of new industries, to furnish a load sufficient to use a maximum of the electricity capable of development if a new steam plant is constructed; is that correct?

Mr. KEFAUVER. The record shows that fully, I think.

Then, Madam President, at page 4463 of the RECORD, there appears a statement by the distinguished Senator from Alabama [Mr. HILL], only a portion of which I shall read at the moment because of its applicability to the question of firming up power.

Said the Senator from Alabama:

We know that certainly as far as the southeastern section of the United States is concerned, we have a varying degree of rainfall. The precipitation varies in different seasons. Usually we have a great deal of rain in the spring and early summer, and very little in the late summer and fall. Consequently there is an uneven flow of water in our rivers. At some periods we have a great deal more water power at our dams than at other periods of the year. Therefore wise, businesslike, and economical operation dictated to the Tennessee Power Co. and to the other power companies in the southeastern section, and now dictates to the Tennessee Valley Authority, that steam plants be bought or built—

I emphasize the next words—

to firm up the power. As we know, most consumers of power can use power only if it be what we call firm power, that is, dependable power, which is available the year round, every day of every week of every month of the year.

Madam President, I shall not trespass further upon the time of the Senate to read from the RECORD of yesterday, but I should like, at this moment, to present for the RECORD a statement made by the House Committee on Appropriations. I find no dissenting report. If there is one, I have no doubt that some Senator will put it into the RECORD; but I do not have it.

At page 6 of this report, which was filed on February 14, 1949—or, at any rate, it was on that day committed to the Committee of the Whole House on the State of the Union and ordered to be printed—there appears this language:

The committee is convinced, on the basis of testimony presented, that if the Government is to make full utilization of the natural resources and of its investment in that area, an additional steam plant of the capacity indicated is fully justified.

A little further in the report there appears this sentence:

The great variation in the flow of rivers of the system makes it necessary for the Government—

Again I emphasize, by my own voice, what probably will not be emphasized in type—

to firm up the hydro-generated power in order to provide for as uniform deliveries as possible.

That was the finding of the House Committee on Appropriations with respect to this subject matter.

From what I have read and from what the Senate may well conclude from its own knowledge, I think it is obvious that it is of importance, where there is a seasonal situation, with a river declared by one statement which I have read to be flashy—I take that to mean that at one

time it is high, and quickly thereafter, at another time, it is low—it is of importance that there be at hand a plant which will firm up the electric power.

At this point I desire to make it perfectly clear that I am not unmindful of the fact that, although this appropriation is for $2,500,000, there is far more involved in the matter than $2,500,000. I realize it is planned that $54,000,000 shall be used in the construction of this plant. The evidence before the committee is to that effect.

I observe at page 15 of the House hearings a statement by Mr. Clapp, as follows:

> The estimated total cost of this plant is $54,000,000, including the expenditure for switchyards required at the plant.

So, Madam President, I do not want the Senate to be under the impression that I am being lulled into security by the alleged smallness of the appropriation. I have heard no Senator claim that the appropriation is all the cost. I desire to show, affirmatively, as I have indicated, that I am cognizant of the fact that $54,000,000 may be, and doubtless is, involved in this subject matter.

The general function of a steam plant has been, I think, sufficiently indicated by what I have read. In addition, I submit at this moment only one or two sentences for the RECORD, one of which is the statement by Mr. Clapp, at page 16 of the House hearings:

> I think the committee understands the general function of steam plants in the TVA system. This is predominantly a hydroelectric-power system, producing power from dams that are designed, built, and operated primarily for flood control and to maintain navigable channels.

I pause to comment at that point, along the line mentioned a few moments ago, and to say the Senate is not bound in any sense by an inadvertent or a studied sentence of Mr. Clapp. Although he mentions as the primary purposes flood control and the maintenance of navigable channels, to my mind, from the evidence I have read, this sentence would be mistaken in its conclusion if it should underrate the vast importance of this property of TVA from the standpoint of national defense. I shall have a little more to say on that subject in a moment.

Continuing, Mr. Clapp uses the sentence which I read a few moments ago, and which I shall repeat at this moment because of its applicability:

> The fact that these are multiple-purpose dams places certain practical limitations upon their use in the production of electricity, and in order to get the best use of the controlled water in the Tennessee River system we use steam plants to firm up the hydro power that is otherwise available in large quantities only during certain seasons of the year.

Madam President, I think I have sufficiently indicated the need of this steam plant, and I should like to read a very significant observation appearing last year in the debate upon this question on the floor of the Senate. I refer to the observation found at page 8258 of the RECORD, made by the Senator from California [Mr. KNOWLAND].

He said:

> If anything should cut off the fuel supply of the steam plant there—

That is to say, at Oak Ridge—

> the availability of a source of adequate power would be of tremendous interest, and, I think, would be an absolute necessity to the plant at Oak Ridge.

To which the then Senator from Kentucky, Mr. Cooper, responded:

> A few moments ago I think the Senator from Michigan said he did not recall any testimony about deliveries of power to Oak Ridge. I should like to call his attention to page 59 of the hearings. Mr. Wessenaeur, power manager of TVA, stated, speaking in regard to certain charts which had been introduced:
>
> "The sales shown on that chart, however, are actual sales to the municipalities and cooperatives. The total shown by the utilities did not include sales to the Government for its own use, the largest use being at the atomic-energy plant at Oak Ridge."

Farther down on that page former Senator Cooper said:

> We see that Mr. Wessenaeur said:
> "Because it may disclose energy deliveries to the Atomic Energy Commission, we cannot put this chart in, but I do have some others which can go in."

So, Madam President, I submit that the matter of power is of importance, as is demonstrated by the fact that power from the Tennessee Valley Authority which is used in connection with Oak Ridge is certainly highly important to the national defense of the Nation. It needs no emphasis on my part to bring home a realization to the Members of the Senate of the fact that it is at Oak Ridge that the atomic-energy project has its great development, and it has a vital bearing, perhaps one which would determine the very existence of our Nation, on the welfare of the United States of America.

Mr. FERGUSON. Madam President, will the Senator yield for a question?

Mr. DONNELL. If the Senator would not mind, I should like to continue my remarks to a conclusion.

Mr. FERGUSON. On the Oak Ridge matter, I should like to ask the Senator if he knows how far the New Johnsonville steam plant will be from Oak Ridge, and whether it will be possible to transmit the electricty from this plant to Oak Ridge.

Mr. DONNELL. I am unable to answer that question from an engineering standpoint, but I undertake to say that with the TVA furnishing power, as it does, to Oak Ridge, obviously it is of tremendous importance that all the power be conserved, and all that is necesary be produced, because whether this particular power can be brought from the New Johnsonville steam plant or other agencies near at hand, it seems to me entirely possible, though I am not an engineer, that it might be of importance to conserve as fully as possible the production derived from the New Johnsonville steam plant in order that other power elsewhere might be used for Oak Ridge.

I am making no concessions as to whether it s possible or not possible to transmit the power from New Johnsonville or from any of the other 27 hydroelectric plants which are to be supplemented, as I understand, by steam plants. I am making no statement of fact as to whether the transmittal is possible, but I recall that a suggestion was made on the floor of the Senate that in the mind of some Senator—I have forgotten now which one it was—there was an apprehension that power should be transmitted from away down in the Tennessee Valley Authority area to the city of Chicago, Ill., though I think the fact as to whether it was to be so transmitted was disputed by another Senator on the floor.

So, I submit, first, that certainly one of the predominant purposes of the proposed construction of this steam plant is the firming up of the power, and not the entry into a new separate line of business. It is not the entry into the power business ab inito, it is the firming up of the supply of power which flows incidentally, as it does, from the construction of the dams which have been built for the three multiple purposes to which I have adverted, namely, flood control, navigaton, and defense.

Second, and among the very vital, important questions which the United States Government is entitled to take into consideraton, and which the Senate must take into consideration, is the question whether or not national defense is involved, as I believe it is involved, in the matter of the construction of this proposed steam plant.

I pass now to the question to which all of what I have said is preliminary—though I do not wish to discourage any Senator by leading him to think that the length of the prelude necessarily justifies the inference of a corresponding length of the body and of the peroration. I pass now to the subject matter to which I primarily direct my attention, namely, the question presented so interestingly yesterday by the junior Senator from Michigan [Mr. FERGUSON] as to the constitutional phase of the erection of the plant at New Johnsonville.

Madam President, is there any violation of the Constitution in expending money for this steam plant? The question is pertinent and proper, and it should be answered, and the Senate cannot, in line with the obligation of its Members under their oaths, vote, as I see it, upon this matter without adequate consideration of this question presented as to the constitutionality, or the contrary, of the proposed appropriation.

Fortunately we are not compelled to rely entirely upon our own reasoning, although in part I think we may supplement the information at hand by our own opinions. Fortunately, some light has been thrown upon the subject by the Supreme Court of the United States. I refer, of course, to the ligitation which arose with respect to the proposed transaction some years ago relative to the Wilson Dam, in which a certain preferred stockholder of the Alabama Power Co. sought to set aside a contract which had been entered into by that company and the Tennessee Valley Authority involving the sale and exchange of electric power generated at Wilson

Dam, and the acquisition by the Tennessee Valley Authority of certain transmission lines from the power company. The case is one which was mentioned both by the distinguished chairman of the Committee on Appropriations, the senior Senator from Tennessee [Mr. McKellar], and by the junior Senator from Michigan [Mr. Ferguson] yesterday, the case of Ashwander et al. against the Tennessee Valley Authority, et al.

I shall not undertake to detail all the facts of this particular piece of litigation. I do refer to the fact that at the hearings before the House subcommittee Mr. Clapp referred to the Wilson Dam in the following language, and I quote from page 16 of the hearings:

I believe this committee is well aware of the fact that the power system of the Tennessee Valley Authority has been a hydro and steam combination from the beginning. The committee will recall, I am sure, that at the time the Government built Wilson Dam which was started during the First World War and finished in the 1920's, Congress also authorized, and there was built by the Government, a steam plant known as the Wilson Dam steam plant, of 64,000 kilowatts capacity.

Continuing, he said:

Then, at the time of the major acquisitions of private utilities properties, during the period closing generally in 1939, TVA in collaboration with the municipalities and rural electric cooperatives of the power service area, bought a combination hydro and steam system from the private utilities.

Thereafter there was some further discussion of the matter by Mr. Clapp.

In the course of the Ashwander litigation the court determined the question of the validity of the construction of that particular dam, the Wilson Dam, which was built by virtue of the Defense Act of June 3, 1916, 39 Stat. 166, 215. I quote somewhat from the decision of the Court, handed down at it was by Chief Justice Hughes. At page 327 the Court said:

We may take judicial notice of the international situation at the time the act of 1916 was passed, and it cannot be successfully disputed that the Wilson Dam and its auxiliary plants, including the hydroelectric power plant, are, and were intended to be, adapted to the purposes of national defense.

Then the Court makes reference to a certain particular type of plant which I think is of importance at this point. The Court said:

While the district court found that there is no intention to use the nitrate plants or the hydroelectric units installed at Wilson Dam for the production of war materials in time of peace, "the maintenance of said properties in operating condition and the assurance of an abundant supply of electric energy in the event of war, constitute national defense assets."

The Court continues:

This finding has ample support.

Madam President, I am neither an engineer nor a chemist, but it is my understanding that nitrates are of very great importance in connection with the manufacture of ammunition. The fact that in connection with the Wilson Dam there was nitrate plant No. 1 mentioned by the Court in a footnote, and that the reference of the Court itself shows that there was more than one nitrate plant, indicates that in that particular section of our country, certainly the nitrates, which I submit are of importance from a standpoint of national defense, exist, and that the development of power, with the resultant production of nitrates, is of tremendous importance from the standpoint of national defense.

Now, Madam President, the Court undertakes to state—and I shall make this as brief as possible—the basis on which it holds that the Wilson Dam construction, under the act of 1916, was justified by the Constitution. It is interesting to observe that the Court refers not solely to the matter of national defense, but refers also to the fact that the act of 1916 had in view, as does also the act creating the Tennessee Valley Authority which I have read, "improvements in navigation." The Court says:

Commerce includes navigation.

The Court quotes Chief Justice Marshall as indicating that the word "commerce" does "comprehend navigation." So, in the Ashwander case, as I read it, the Court bases its decision sustaining the validity of the acquisition of the dam, and therefore the validity of the proposed transaction with the power company, in part upon the fact that the commerce clause was involved.

I need not read in detail the reasoning of the Court, but I quote one sentence from page 330 of the Court's decision, as follows:

The Wilson Dam and its power plant must be taken to have been constructed in the exercise of the constitutional functions of the Federal Government.

I may say, Madam President, that I do not think the power plant referred to there is the steam plant, though I am not, without further search of the decision, quite clear as to whether it is. But in the interest of absolute accuracy I do not make the claim that the term "power plant" does so comprehend. Nevertheless, the Court in passing upon the situation bases its decision upon points of constitutional law under which, as I see it, the New Johnsonville construction can be fully justified and is fully justified by the Constitution of the United States.

Madam President, the distinguished Senator from Michigan said that up to this point he has no objection, at least insofar as I have referred to plants other than the steam plant. I should perhaps not have used the term "at least," because I know that he does not agree with my conclusion as to the steam plant. But he stated in the Record of yesterday at several different times that the construction of the hydroelectric plant was constitutional. I quote from the Senator from Michigan at page 4448 of the Congressional Record, as follows:

We are talking about constitutional power, constitutional authority. There is no doubt that under the commerce clause the United States Government can erect dams for flood control and navigation, and when it erects a dam, the mechanical power from the falling of the water can be generated into electrical power, and the United States Government can, under the commerce clause of the United States Constitution, sell the power so generated. There can be no doubt about that.

Again, at page 4453 the following appears:

Mr. Donnell. Even the hydroelectric plant, the Senator contends, is unconstitutional?

Mr. Ferguson. Oh, no; the hydroelectric is perfectly constitutional and legal because it is using the mechanical power of the drop of the water from a dam which is constructed under the specific authority of the commerce clause for navigation and flood control.

Thus I say the Senator from Michigan concedes the constitutionality of the erection of the hydroelectric plants.

I desire to submit and do submit at this time that the constitutional power exists, to my mind, from the consideration which I have mentioned, namely, the fact that a predominant purpose, or certainly one of the major purposes of the New Johnsonville plant, is to be the firming up of this same power resulting from the dropping of the same water to which the Senator from Michigan refers, and also I say resulting from the fact that under the power of the Congress with respect to national defense we have a right to conserve that defense.

I say, first, that there is a constitutional power to erect the New Johnsville steam plant. Then I go further and say that the constitutional power to operate the New Johnsonville plant follows from the constitutional power to construct it. Why do I say so? To my mind the constitutional power to construct the dam or the plant, or both, implies and comprehends the power to carry out the entire plant, the entire navigation, flood control, national defense plan, economically and with sound business judgment.

In that connection I may read some language from the Supreme Court of the United States. Chief Justice Hughes, at page 335 of the decision in the Ashwander case, said:

The argument is stressed that, assuming that electric energy generated at the dam belongs to the United States, the Congress has authority to dispose of this enegy only to the extent that it is a surplus necessarily created in the course of making munitions of war or operating the works for navigation purposes; that is, that the remainder of the available energy must be lost or go to waste. We find nothing in the Constitution which imposes such a limitation. It is not to be deduced from the mere fact that the electric energy is only potentially available until the generators are operated. The Government has no less right to the energy thus available by letting the water course over its turbines than it has to use the appropriate procesess to reduce to possession other property within its control, as, for example, oil which it may recover from a pool beneath its lands and which is reduced to possession by boring oil wells and otherwise might escape its grasp. * * * And it would hardly be contended that, when the Government reserves coal on its lands, it can mine the coal and dispose of it only for the purpose of heating Government buildings or for other governmental operations. Of, if the Government owns a silver mine, that it can obtain the silver only for the purpose of storage or coinage. Or that when the Government extracts the oil it has reserved, it has no constitutional power to sell it. Our decisions recognize no such restriction (citing cases). The United States owns the coal,

or the silver, or the lead, or the oil, it obtains from its lands, and it lies in the discretion of the Congress, acting in the public interest, to determine of how much of the property it shall dispose.

We think that the same principle is applicable to electric energy. The argument pressed upon us leads to absurd consequences in the denial, despite the broad terms of the constitutional provision, of a power of disposal which the public interest may imperatively require. Suppose, for example, that in the erection of a dam for the improvement of navigation, it became necessary to destroy a dam and power plant which had previously been erected by a private corporation engaged in the generation and distribution of energy which supplied the needs of neighboring communities and business enterprises. Would anoyne say that, because the United States had built its own dam and plant in the exercise of its constitutional functions, and had complete ownership and dominion over both, no power could be supplied to the communities and enterprises dependent on it, not because of any unwillingness of the Congress to supply it, or of any overriding governmental need, but because there was no constitutional authority to furnish the supply? Or that, with abundant power available, which must otherwise be wasted, the supply to the communities and enterprises whose every life might be at stake must be limited to the slender amount of surplus unavoidably involved in the operation of the navigation works, because the Constitution does not permit any more energy to be generated and distributed?

After some further statement, the Court says:

The decisions which petitioners cite give no support to their contention.

Madam President, I submit that the Government is entitled so to utilize the dams and the plants—steam plants, hydroelectric plants, or whatever they may be—as not to permit the investment in them to be a waste, which in part it would be if the project could be used only a portion of the year. Therefore it is within the power of the Government, just as in the cases indicated by the Supreme Court, to prevent such waste, the prevention to be brought about by the erection of a steam plant which can function in that part of the year in which the hydroelectric plant cannot produce adequate power.

It is not necessary, as I see it, to leave the hydroelectric plants unsupplemented. No businessman, whether Mr. Wendell Willkie, who has been referred to here today, or anyone else, would consider it sound judgment to permit an investment of millions of dollars in a hydroelectric plant to lie idle and wasteful and useless during a portion of the year, when an additional amount could be judiciously invested by the Government, which would make the entire enterprise productive of power throughout the year.

In my judgment, the Supreme Court of the United States, in the Ashwander case, clearly illustrates the thought which I have in mind. This case involved the sale of certain transmission lines by the power company to the Tennessee Valley Authority. The Court stated, at page 339:

The transmission lines which the Authority undertakes to purchase from the power company lead from the Wilson Dam to a large area within about 50 miles of the dam. These lines provide the means of distributing the electric energy, generated at the dam, to a large population. They furnish a method of reaching a market. The alternative method is to sell the surplus energy at the dam, and the market there appears to be limited to one purchaser, the Alabama Power Co., and its affiliated interests. We know of no constitutional ground upon which the Federal Government can be denied the right to seek a wider market. We suppose that in the early days of mining in the West, if the Government had undertaken to operate a silver mine on its domain, it could have acquired the mules or horses and equipment to carry its silver to market. And the transmission lines for electric energy are but a facility for conveying to market that particular sort of property, and the acquisition of these lines raises no different constitutional question, unless in some way there is an invasion of the rights reserved to the state or to the people. We find no basis for concluding that the limited undertaking with the Alabama Power Co. amounts to such an invasion. Certainly, the Alabama Power Co. has no constitutional right to insist that it shall be the sole purchaser of the energy generated at the Wilson Dam; that the energy shall be sold to it or go to waste.

The Congress of the United States, once it has the power, once there is a basis on which it may exert legislative action, as, for illustration, under the commerce clause, or, as a further illustration, under the preservation of national defense, preparation for war, or preparation for the Army or Navy—once it has the general field within its power, the courts have held uniformly, I think, that the reasonable discretion of Congress will not be interfered with by any court. Indeed, it is difficult to think of a case in which the Court, under the circumstances which I have just described, would hold the exercise of discretion by the Congress to have been an abuse of discretion.

Mr. Chief Justice Marshall, in *McCulloch* v. *Maryland*, decided in 1819 (4 Wheat. 316), said this:

But we think the sound construction of the Constitution must allow to the National Legislature that discretion, with respect to the means by which the powers it confers are to be carried into execution, which will enable that body to perform the high duties assigned to it, in the manner most beneficial to the people. Let the end be legitimate, let it be within the scope of the Constitution, and all means which are appropriate, which are plainly adapted to that end, which are not prohibited, but consist with the letter and spirit of the Constitution, are constitutional.

In the same case Chief Justice Marshall said:

But where the law is not prohibited, but is really calculated to effect any of the objects entrusted to the Government, to undertake here to inquire into the degree of its necessity, would be to pass the line which circumscribes the judicial department, and to tread on legislative ground. This Court disclaims all pretentions to such a power.

In *Juilliard* v. *Greenman* (110 U. S., 421), Mr. Justice Gray, speaking for the Court, referring to that portion of the Constitution, which as the Chair will recall, gives the Congress the power to make all laws which shall be necessary and proper for carrying into execution the powers previously mentioned, said:

By the settled construction and the only reasonable interpretation of this clause, the words "necessary and proper" are not limited to such measures as are absolutely and indispensably necessary, without which the powers granted must fail of execution; but they include all appropriate means which are conducive or adapted to the end to be accomplished, and which in the judgment of Congress will most advantageously effect it.

In the case of *United States* v. *Fisher*, at 2 Cranch 358, Mr. Chief Justice Marshall, in speaking for the Court, says this:

In construing this clause, it would be incorrect, and would produce endless difficulties, if the opinion should be maintained, that no law was authorized which was not indispensably necessary to give effect to a specified power. Where various systems might be adopted for that purpose, it might be said, with respect to each, that it was not necessary, because the end might be obtained by other means.

Continuing, the Chief Justice said:

Congress must possess the choice of means, and must be empowered to use any means which are in fact conducive to the exercise of a power granted by the Constitution.

Then, Mr. President, in the legal tender case, 12 Wallace 457, in 1870, the Court said this:

Indeed the whole history of the Government and of congressional legislation has exhibited the use of a very wide discretion, even in times of peace and in the absence of any trying emergency, in the selection of the necessary and proper means to carry into effect the great objects for which the Government was framed, and this discretion has generally been unquestioned, or, if questioned, sanctioned by this Court.

The Court then proceeded to illustrate the meaning.

Mr. President (Mr. SPARKMAN in the chair), I submit that the Congress has a very broad discretion in determining the appropriate means to be used in respect to matters coming within its jurisdiction.

A little while ago I referred to a former distinguished colleague of ours, the former distinguished Senator Cooper, of Kentucky. I observe at page 8253 of the CONGRESSIONAL RECORD for June 15, 1948, the following observation by Senator Cooper. He was referring to a previous question which he had presented to the distinguished Senator from Connecticut [Mr. BALDWIN], and at that point Senator Cooper said:

I again submit that the distinguished Senator has not answered my question. The point I am making is this: The courts and the Congress have said that money can be appropriated to build dams and that there is authority to dispose of the power developed at the dams. If there is the right to dispose of the power, there is authority to do so efficiently, and of electric energy developed there, it follows that we should appropriate sufficient money to build such steam plants as will enable the Tennessee Valley Authority to efficiently dispose of the power. There is a distinction between my point and the statement of the Senator from Connecticut a few minutes ago.

Mr. President, I take it that it is uncontrovertible that Congress does have the power to handle efficiently and economically property which comes into its ownership by virtue of an express power or as an incident to the exercise of any of its powers.

I assure the Chair that I am coming reasonabliy near to the conclusion of

my remarks, and I am about to come to the point as to whether there is property which comes into the possession of the Government from the operation of the Tennessee Valley Authority.

There is a constitutional right to dispose of this electric power. But before mentioning that, I think I should say in justice to our former colleague, Senator Cooper, of Kentucky, that it was due. I should say primarily, if not exclusively, to the very informative and, to my mind, sound discussion which he was kind enough to give to me last year, as a friend and colleague, in regard to the Tennessee Valley and the New Johnsonville plant, that I came to the conclusion that the appropriation for the plant should be supported. I wish the Senate to know that whatever of merit there may be in the position I have taken, to my mind comes primarily, if not entirely, as an initial matter from the wise words of counsel and information given to me by former Senator Cooper, of Kentucky.

Mr. President, what is the power that is developed by the Tennessee Valley Authority? The Supreme Court of the United States in the Ashwander case, to which I have referred, takes up the question as to whether Congress has any power to dispose of electric energy—in that case, the electric energy generator at Wilson Dam. It points out a very interesting fact which I think is of tremendous importance; it says:

> The Government acquired full title to the dam site, with all riparian rights. The power of falling water—

To which the Senator from Michigan referred yesterday—

> was an inevitable incident of the construction of the dam. That water power came into the exclusive control of the Federal Government.

Mr. President, I emphasize the sentence:

> The mechanical energy—

So says Mr. Chief Justice Hughes—

> was convertible into electric energy, and the water power, the right to convert it into electric energy, and the electric energy thus produced, constitute power belonging to the United States.

It is only a short step from that conclusion by Mr. Chief Justice Hughes to the sentence in the Constitution which he cites. Perhaps I should read his observation:

> Authority to dispose of property constitutionally acquired by the United States—

He has just held that the electric energy does constitute property belonging to the United States—

> is expressly granted to the Congress by section 3 of article IV of the Constitution. This section provides:
>
> "The Congress shall have power to dispose of—

I emphasize that—

> and make all needful rules and regulations respecting the territory or other property belonging to the United States; and nothing in this Constitution shall be so construed as to prejudice any claims of the United States, or of any particular State."

So, Mr. President, I take it there can be no question as to the constitutional power of the United States Government to dispose of the electric energy which is or shall be created in the Tennessee Valley Authority's jurisdiction.

Mr. President, with your permission I shall divert for only a moment to one matter which I think is of sufficient consequence, although not directly involved, to justify a brief comment. I called to the attention of the Senate earlier in my remarks this afternoon the observation by Mr. Justice Joseph P. Bradley, on February 1, 1886, with respect to the importance of courts following a rule which being interpreted into English means "withstand beginnings." I emphasize what to my mind follows logically, namely, that not only is it the duty of the courts to follow that wholesome admonition, but it is the duty of Congress to follow it. May I most respectfully say, concerning the executive branch of the Government, that there likewise the same rule should be followed.

I have referred this afternoon to atomic energy and to the Oak Ridge plant, and I should like to mention just this incident in connection with the matter of atomic energy: In a public statement made on November 15, 1945, by the President of the United States, the Prime Minister of Great Britain, and the Prime Minister of Canada, occurs a declaration in substance that the signers think—

> The spreading of the specialized information regarding the practical application of atomic energy, before it is possible to devise effective, reciprocal, and enforceable safeguards acceptable to all nations—

Might have the effect opposite to a contribution—

> to a constructive solution of the problem of the atomic bomb.

And then occurs this significant remark in the public statement made by the President of the United States, the Prime Minister of Great Britain, and the Prime Minister of Canada:

> We are, however, prepared to share, on a reciprocal basis with others of the United Nations, detailed information concerning the practical industrial application of atomic energy just as soon as effective enforceable safeguards against its use for destructive purposes can be devised.

Mr. President, it will be observed that the announcement signed by these three men—the President of our Nation and the two Prime Ministers mentioned—that they are prepared to share, at the time mentioned in the announcement, "detailed information concerning the practical industrial application of atomic energy" is made without any statement being contained therein to the effect that the insurance of being so prepared is contingent, so far as the United States is concerned, on approval by the Congress. I have not observed any statement which declares or demonstrates in whom is vested the legal title to information "concerning the practical industrial application of atomic energy." It seems likely to me, however, that with an investment of probably $2,000,000,000, as we have been told—billions of dollars, not millions of dollars—having been made by the Government of the United States in the development and use of atomic energy, important property rights in such information are vested in our Government.

Mr. President, I may say most respectfully, first, that, inasmuch as section 3 of article IV of the Constitution of the United States reads, in part, as follows:

> The Congress shall have power to dispose of and make all needful rules and regulations respecting the territory or other property belonging to the United States—

And, second, inasmuch as the Supreme Court of the United States, through Chief Justice Hughes, in the Ashwander case, from which I have quoted, in referring to the grant made to the Congress by section 3 of article IV, of authority to dispose of property constitutionally acquired by the United States, said:

> The grant was made in broad terms, and the power of regulation and disposition was not confined to territory, but extended to "other property belonging to the United States," so that the power may be applied, as Story says, "to the due regulation of all other personal and real property rightfully belonging to the United States." And so, he adds, "it has been constantly understood and acted upon"—

And, third, inasmuch as the Supreme Court stated in that case:

> That the water power and the electric energy generated at the dam—

Meaning the Wilson Dam at the Muscle Shoals plant—

> are susceptible of disposition as property belonging to the United States is well established.

I state, in view of these facts, that I assume most respectfully that, notwithstanding the unqualified announcement of November 15, 1945, by the President of the United States of his being prepared to share the detailed information therein mentioned at the time stated in the announcement, it is not his intention to proceed to share such information without prior approval by Congress.

Mr. LUCAS. Mr. President, will the Senator yield for a question before he proceeds to the next point?

Mr. DONNELL. I yield.

Mr. LUCAS. Will the able Senator advise me as to how much longer he expects to speak?

Mr. DONNELL. I should say about 10 minutes.

Mr. LUCAS. I thank the Senator.

Mr. DONNELL. I think I have demonstrated, or rather, the observations which I have quoted have demonstrated that as Mr. Clapp says, at page 13 of the hearings before the House of Representatives, a power shortage would force interruptions in the production of these vital materials and handicap the Nation's ability to prepare for national emergencies.

I think it has been demonstrated that the action proposed in respect to the construction of the Johnsonville plant is amply justified by the considerations of national defense. I submit that the Government of the United States in view of

such defense necessities should not be dependent upon private power companies for any part of the year, but that the Government itself or its agencies should own such facilities as will enable the Government to have power production 100 percent throughout the entire year.

I submit further the absence of ability to provide year-round service may interfere with the ability of the Government to dispose of its peak load power, and indeed it has already interfered with its disposition, because today, as I understand, large quantities of the power generated in the Tennessee River are disposed of as so-called "dump" power at a price averaging approximately half of what the Government could derive from the disposal of it as primary power or firm power; that is to say, power that can be availed of at any moment during the entire calendar year.

In addition to that, I think the Government is entitled, and the Congress is entitled, to consider the matter from the standpoint of fairness to the citizens. The Government in selling to its citizens power from the Tennessee River should not make them dependent on private power producers in case of emergency.

Furthermore, from the standpoint of the Government itself, the Government should not be able merely to contract with customers to supply them with power while the water is high and the power abundant, for it is obvious that the customers may conclude it is not desirable that they be compelled to contract with the Government for only a part of the year, or be compelled to rely on some private producer of power who may or may not continue in business or be a satisfactory supplier of power during the drought.

I think the Government is entitled to operate the Tennesee Valley Authority in an efficient manner as suggested by Senator COOPER last year. I think the Government is entitled to operate it in an economical manner. I think the Government is entitled to operate it in a way which will conduce to the firming up of power, thus making its investment reasonably productive, rather than to operate it in such a way that the power can be furnished to consumers only a part of the year.

So, Mr. President, for these and the other reasons I have indicated this afternoon, I very respectfully submit that there is a constitutional power to make the appropriation sought for the entry upon the construction of the New Johnsonville steam plant.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries.

MESSAGE FROM THE PRESIDENT—COLUMBIA RIVER VALLEY (H. DOC. NO. 158)

To the Congress of the United States:

I recommend that legislation be enacted reorganizing certain Federal activities in the Columbia River Valley to the end that the Federal Government may play a more effective part in the development and conservation of the resources of the Pacific Northwest.

The resource activities of the Federal Government in this region are of great importance, not only because of the Government's responsibility with respect to the waters of the Columbia River and its tributaries, but also because of the extensive federally owned lands within the region.

Many Federal agencies have long participated in these activities to some degree, and the coordination of their separate activities presents a difficult organizational problem.

In general, two main objectives should guide the organization of the Government's resource activities. There should be unified treatment of the related resources within each natural area of the country—generally the watershed of a great river—and within the framework of sound Nation-wide policies. Furthermore, there should be the greatest possible decentralization of Federal powers, and the greatest possible local participation in their exercise, without lessening the necessary accountability of Federal officials to the President and to the Congress.

The traditional method of organizing the Government's resource activities, through departments and bureaus which carry on separate Nation-wide activities, does not itself provide for the unified consideration of each area's resources which is so necessary, nor does it easily lend itself to decentralization. It has long been apparent that some organizational adjustments are necessary.

We have not found—nor do I expect that we shall find—a single organizational pattern that will fit perfectly the resource problems in the many diverse areas of the country.

The Tennessee Valley Authority, with headquarters in that valley, has been spectacularly successful in achieving many of the goals of a wise and balanced use of resources, through its own activities and through close cooperation with other Federal agencies and with State and local organizations. The integration of Federal activities, through the TVA, has contributed greatly to the growing prosperity of that region, and has met the acid test of satisfying the people who live there.

More recently, Federal interagency committees have been established in several of our western river basins, under the leadership of an interagency committee in Washington, D. C. These committees have proved useful in improving the coordination of Federal activities in those basins.

This committee system, however, has obvious limits, since none of the field representatives of the several departments and agencies concerned is responsible for an over-all view of all the resources of an area. Furthermore, the field committees have no power, other than the separate delegation of authority made to their members, and important problems must be referred through separate channels to headquarters in Washington, D. C., for decision there.

In improving the organization of Federal activities in the Pacific Northwest, we must recognize the unique features of that region. The Pacific Northwest—comprising principally Oregon, Washington, Idaho and western Montana—is a relatively undeveloped area of our Nation, rich in resources and opportunities. The grand dimensions of the Columbia River give consistency to the problems, needs and opportunities of the region.

The waters of the Columbia River system (among our rivers second only to the Mississippi in flow) are capable eventually of producing more than 30,000,000 kilowatts of electric power, of which only a little more than 3,000,000 kilowatts are now installed. There are possibilities of reclaiming many more acres of land by irrigation, as they may be needed, in addition to the 4,000,000 acres now irrigated. More than 40 percent of the Nation's saw timber and many important minerals, including 60 percent of our known phosphate reserves, are in the region. Properly developed and conserved, the resources of the Columbia Valley region can furnish enormous benefits to the people living there and to the Nation as a whole.

The Pacific Northwest has been developing very rapidly in recent years. The population has jumped 37 percent since 1940. The tonnage of agricultural production—not including livestock and livestock products—has risen about 25 percent in Washington, Oregon, and Idaho between 1940 and 1947. Total income payments have increased 200 percent since before the war in those three States, as compared to 150 percent for the country as a whole. The per capita income is among the highest in the Nation. These are signs of the progressive energy of the people of the region, and of the growth that can occur there.

However, this growth will not take place to the extent necessary to provide adequate employment for the growing population unless there is a steady program of investment in the development of basic resources in accordance with broadly conceived conservation and development plans.

The activities of the Federal Government have already been of great help. Bonneville and Grand Coulee Dams and the Bonneville power system, begun before the war, made possible the tremendous war and postwar expansion in population and in industry. Industrial development in aluminum, electrochemical and electrometallurgical industries, atomic energy, phosphates, and other lines is going forward rapidly. Each of these requires large amounts of low-cost power, in the production of which the Columbia River and its tributaries offer greater possibilities than any other river system in the country. Continued industrial progress depends upon turning these hydroelectric-power potentialities into realities, since the present power supply is far short of the demand, and the region has no significant resources of coal or petroleum.

But far more than power is involved in the further development of the Columbia River for useful purposes. The disastrous flood of 1948 showed how much needs to be done, both in the river and on the land in the watershed, to reduce potential flood damage. The first irrigation water will soon be brought to the

thirsty land in the Columbia basin project below Grand Coulee Dam, and other irrigation projects are possible. The important lower Columbia fisheries program, to adjust the salmon-fishing industry to the dam-construction program, needs to be pushed forward. The use of the river for low-cost transportation of bulk goods can be greatly expanded.

Various Federal agencies are now at work on these phases of river development, and a considerable amount of competent planning has already been done. In particular, the Corps of Engineers and the Bureau of Reclamation have jointly worked out the framework for a comprehensive program of dam building. McNary and Hungry Horse Dams are now under construction, and others are about to be started to meet urgent needs.

So far as river development is concerned, the task ahead is twofold. Present plans and schedules should be incorporated in a more inclusive, better-balanced river-development program. And a unified operating system must be established for the many facilities already built or to be constructed. These objectives require better organizational arrangements than we now have.

Furthermore, a great deal needs to be done to bring the land, forest, and mineral activities of the Federal Government into step with the water development program. It is questionable economy to spend millions of dollars for dams as part of a flood-control scheme, unless at the same time we are doing all we can in the way of forest and soil conservation and rehabilitation, so that floods will be minimized rather than aggravated. Similarly, it is not sensible to spend millions of dollars to reclaim land, in order to create new farms, if at the same time we fail to take appropriate steps to save existing farm lands from being washed into the rivers.

It is obvious that Federal activities and expenditures concerning land resources need to be planned in relation to those concerning water resources. Here again better organizational arrangements are needed than we now have.

I do not wish to minimize the substantial progress that has been made under the programs as they have been conducted in the past. However, we have now reached a point where the growing scope and complexity of the Federal activities in the region require much greater integration and the full-time attention of top-level administrators if the tremendous potentialities of the region are to be wisely and rapidly developed.

I therefore recommend that the Congress enact legislation to provide a means for welding together the many Federal activities concerned with the region's resources into a balanced, continuously developing program.

In so doing I recommend that certain Federal activities in the region be consolidated into a single agency, called the Columbia Valley Administration. To that agency should be transferred the Federal programs of constructing and operating physical facilities on the Columbia River and its tributaries for the multiple-purpose conservation and use of the water, including the generation and transmission of power. These programs are now carried on by the Bureau of Reclamation and the Bonneville Power Administration in the Department of the Interior, and by the Corps of Engineers in the Department of the Army. This consolidation will provide not only for a balanced program of constructing dams, irrigation works, power transmission lines, and other facilities, but also for a workable operating plan for using these facilities simultaneously for flood control, navigation, power generation and transmission, fish protection, and other purposes. It is plain common sense that the planning and operation of the system of river structures is a job for a single agency.

The Columbia Valley Administration would have the advantages of a sound foundation of basic planning already done, and a large construction program already under way. The bulk of its staff would be secured from existing agencies. It would follow the practice of existing agencies in carrying on its construction work by contract so far as practicable. Under these circumstances, the establishment of the Columbia Valley Administration would result in no hesitation or delay in the development program. Instead, the Administration would carry forward the work already started in a more effective manner.

I do not recommend the consolidation of any other Federal activities in the Columbia Valley Administration. I do recommend, however, that the Administration be given direct responsibility for preparing definite plans and programs for soil and forest conservation, mineral exploration and development, fish and wildlife conservation, and the other aspects of Federal resource activities in the region, and the means to see that those plans and programs move ahead in step. Such plans and programs would be worked out in cooperation with all interested groups—local, State, and Federal, private and public.

In this way the activities of the Columbia Valley Administration and other Federal agencies would be properly adjusted to each other and to the activities of State and local agencies, and the maximum degree of joint and cooperative action would result. In this way the activities of all agencies concerned with water, land, forest, mineral, and fish and wildlife resources can be brought into a consistent pattern of conservation and development.

The Columbia River rises in Canada, and part of its watershed is in that country. Under long-standing treaties, the Governments of Canada and the United States consult with each other on any development projects which affect international waters, including the Columbia River. The Columbia Valley Administration can work out, in cooperation with appropriate Canadian agencies and in accordance with our treaty obligations, practical means of developing the resources of the Columbia River region, on both sides of the international boundary, on an integrated basis. It is my hope that we will be able in this respect to demonstrate to the world new ways of achieving mutual benefit through international programs of resource development.

A further vital element in developing a better organization of Federal resource activities in the Columbia Valley region is to bring about a larger degree of local participation. To this end I recommend that the Columbia Valley Administration be required to have its headquarters in the region, easily accessible to the people who live there. I recommend further that the Administration be required, with respect to all phases of its activities, to seek the advice, assistance, and participation of State and local governments, agriculture, labor, and business groups, educational institutions and other representative groups concerned. This can best be done, as the Tennessee Valley Authority experience has shown, not through formalistic statutory machinery, but through the establishment by the Administration of a large number of advisory groups for its different activities and in different parts of the region, and through the use, wherever possible, of established local agencies to carry out the development program.

In these various ways the Columbia Valley Administration, while retaining its basic accountability to the President and the Congress, will be far more responsive to the needs and interests and desires of the people of the region than the present subordinate field establishments of the Government can be.

The Columbia Valley Administration should, of course, administer its activities in accordance with Federal policies which apply to the whole country. In seeking decentralization of Federal authority and appropriate flexibility to meet the unique characteristics of the Pacific Northwest, we should not establish different national policies for that region than for the rest of the country.

For example, the Administration should be required, in accordance with long-established Federal policy, to respect existing water rights and the water rights laws of the several States. The Administration should be required to follow the reclamation laws in contracting for the disposition of land or water in reclamation projects. It should be required to give the customary preferences and priorities to public agencies and cooperatives in disposing of electric energy. It should be required to demonstrate the economic soundness of the various projects it undertakes, and to repay reimbursable costs, in accordance with national policies. In short, its activities should harmonize, and not conflict, with Federal policies concerning agriculture, commerce, labor, and the other broad areas of national interest.

Finally, the Columbia Valley Administration should be given, with respect to its revenue-producing activities, appropriate financial and operating flexibility under the business-type budgeting, accounting and auditing methods established by the Government Corporations

Control Act. Without detracting from the necessary control of the Administration by the President and the Congress, this will permit more businesslike procedures and more steady and economical scheduling of construction and operations than are now possible.

These recommendations I regard as the fundamental elements of a better organization of Federal resource activities in the Pacific Northwest. They involve no expansion of Federal powers, no encroachment on the rights of States, communities, or individuals. Instead they are designed to achieve a more sensible and unified organization of Federal activities, which will result in a more effective program for resource development and more effective participation by the people of the region in shaping that program.

The enactment of legislation embodying these recommendations will bring Government closer to the people—closer to the grass roots. This means Government action that will be more responsive to the needs of the people.

In recent years the people of our country have come to understand that the progressive growth of our economy and the maintenance of national security depend largely upon the wise use of our natural resources. We have reached overwhelming agreement that our natural resources must not be wastefully exploited, but instead must be developed and used for the benefit of all our people, and at the same time must be conserved so far as possible to preserve their usefulness permanently.

We have been making great strides toward accomplishing these objectives. Private citizens and groups, local and State governments, and the Federal Government have all been doing more and more as we have found new technical methods and new ways of working together.

Much remains to be done. We will need sustained private and public effort over many years, based on a realization of the importance of long-range investment in developing and conserving natural resources. This is an effort in which each citizen should feel a direct responsibility—not only the private owner of resources, whose management of his property has an immediate bearing on the public good, but every other citizen as well, since the welfare of all depends upon the preservation and wise expansion of our resources.

I believe that the establishment of a Columbia Valley Administration along the lines I have recommended will enable the Federal Government to carry out, far more vigorously and effectively than is now the case, its part in the tremendous long-range task of developing and conserving the natural resources of the Pacific Northwest for the increasing welfare of the people.

HARRY S. TRUMAN.

THE WHITE HOUSE, *April 13, 1949.*

Mr. LUCAS. Mr. President, I understand that this is a very important message, and there may be some question as to what committee should have jurisdiction over the subject matter contained therein. In view of the importance of the message and in view of the fact that the Vice President of the United States is unavoidably absent at this time, I ask unanimous consent that the message may remain upon the desk until the Vice President returns, in order to permit him to make the decision as to the appropriate reference; and I further ask that the message may be printed in the RECORD.

Mr. MAGNUSON. Mr. President, I should like to make an observation in support of the suggestion which has been made by the majority leader. This message will be accompanied by a bill which will be introduced later; but because of the fact that the House of Representatives will take an Easter adjournment, the bill accompanying the message will not be introduced in either the House or the Senate until a week from Monday. Therefore I think the matter should be held up until that time.

The PRESIDING OFFICER. Without objection, in accordance with the request of the Senator from Illinois, the message of the President will lie on the table.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had passed a bill (H. R. 2440) to authorize the Public Housing Commissioner to sell the suburban resettlement projects known as Greenbelt, Md.; Greendale, Wis.; and Greenhills, Ohio, without regard to provisions of law requiring competitive bidding or public advertising, in which it requested the concurrence of the Senate.

ENROLLED BILL SIGNED

The message also announced that the Speaker had affixed his signature to the enrolled bill (S. 851) to promote the settlement and development of the Territory of Alaska by facilitating the construction of necessary housing therein, and for other purposes, and it was signed by the President pro tempore.

HOUSE BILL AND JOINT RESOLUTION REFERRED

The following bill and joint resolution were each read twice by their titles and referred as indicated:

H. R. 2440. An act to authorize the Public Housing Commissioner to sell the suburban resettlement projects known as Greenbelt, Md.; Greendale, Wis.; and Greenhills, Ohio, without regard to provisions of law requiring competitive bidding or public advertising; to the Committee on Banking and Currency; and

H. J. Res. 222. Joint resolution making an additional appropriation for the Veterans' Administration for the fiscal year ending June 30, 1949, and for other purposes; to the Committee on Appropriations.

FIRST DEFICIENCY APPROPRIATIONS, 1949

The Senate resumed the consideration of the bill (H. R. 2632) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1949, and for other purposes.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from New Hampshire [Mr. BRIDGES].

Mr. BALDWIN. Mr. President, it is the purpose of the junior Senator from Connecticut to address himself briefly to the amendment to the pending bill offered by the Senator from New Hampshire [Mr. BRIDGES], an amendment which in effect would remove from the bill the appropriation for the steam plant in the Tennessee Valley.

We have always been ready to believe, and I think the debates in the Congress will demonstrate the fact, that the purpose of the development of the Tennessee River and the Tennessee Valley was to improve navigation, to help with the reforestation and to provide for that section of the country such cheap power as could be developed by the water resources there.

Naturally, Mr. President, when there is a development of cheap power in a certain locality, industry is attracted to it. With that, the junior Senator from Connecticut finds no fault. He feels very strongly that it is the function and, indeed, should be the purpose of the Federal Government, at all times to develop with Federal funds the natural resources of the country so that they may be put to the best use of its citizens. But what would be the effect of developing a natural resource to the limit of its potentialities, attracting industry there because of the cheap power thus made available, and then, finding that the available power was not adequate to take care of the situation, proceeding to supplement by mechanical means? That, Mr. President, is exactly the policy proposed here through this appropriation for the New Johnsonville plant. If we were to follow that policy to its logical conclusion, we should find ourselves picking out here and there some water resource from which power could be developed to its utmost use as a natural resource, supplementing it with mechanical power, then attracting to tha area new industries as a result of the cheap power, until we would be in grave danger, as I submit we are now in grave danger, if the process shall continue, of draining off from other parts of the country the industries which employ workers there.

Mr. President, today in the State of Connecticut there are upward of 67,000 persons unemployed, which is the largest number of persons in Connecticut who have been on the unemployment compensation rolls in 11 years. Connecticut is and long has been an industrial State. She became an industrial State through no appropriations from the Federal Treasury, but because of the energy, the industry, the wisdom, the judgment, and the skill of her own people. Years ago Connecticut was an agricultural State. Then the great Middle West and, later on, the far West were developed as the portion of the country best adapted to supply the American people with good food at cheaper prices. So the Connecticut farm boy hitched up his ox team or his horses and took either a two-wheeled cart or a four-wheeled wagon, and put his family into it, together with his family goods, and started for the land where one could plow a furrow a long dis-

tance without turning around a rock or running into a swamp or a bog or a sidehill. Consequently, Connecticut found she had turned her energies for the employment of her citizens to other fields than agriculture. She began to develop her industries. Those were the days when there were no appropriations from the Federal Treasury. Up and down the rivers and streams of Connecticut one can find today the remains of dams, earthworks, masonry, and dry stone walls marking the sites of small local industries which employed Connecticut's people.

When it was discovered in Connecticut that the water resources she had developed through the energy of her citizens were not sufficient to take care of the needs of her expanding industry, she did not come to the Federal Treasury and ask for money to meet that emergency situation. She turned to private industry, private initiative, and private enterprise, and developed her own power resources. Hundreds of thousands, nay, millions, of dollars of the money of Connecticut's citizens, and, indeed, citizens from outside the State of Connecticut, have gone into investments to develop her power resources.

Mr. President, whenever one makes a speech of this kind, he is always charged by the opposition with being a representative of the power interests. The junior Senator from Connecticut stands here today, not in defense of the power interests; they are well able to take care of themselves. He stands here in defense of the hundreds of thousands of persons employed in Connecticut's industries, the hundreds of thousands of persons in Connecticut who have their money invested in Connecticut enterprises, industries, and power installations, and the many insurance companies and banks which hold the securities of such enterprises as a backlog against the unfortunate day of the expiration of an insurance policy which, through the wisdom and farsightedness of some policyholder, has been taken in order that he might provide against the contingency of his own death or his own ill-health.

Mr. President, there are hundreds of thousands of such persons whose future, in great part, depends upon the success of Connecticut industry and the employment of Connecticut citizens. Not that we ask any appropriation from the Federal Treasury or any subsidy from the Government; we merely ask an even chance and a fair opportunity, which we cannot have, Mr. President, if the Congress takes money from the Federal Treasury and dumps it into a project of this particular kind.

I may say, Mr. President, that I do not stand here as one who says, selfishly, that we must protect Connecticut and we must not do anything for the rest of the Nation. That never has been the position of Connecticut. Down through the years the amount of money which has been paid in taxes by Connecticut citizens has never been returned in benefits to Connecticut citizens. They have been content, Mr. President, to see such Federal funds used elsewhere, knowing that in the long run they will derive some indirect benefit, because it means an indirect benefit to the citizens of Connecticut to have other parts of the Nation developed. But, Mr. President, is it fair to ask that the taxpayers of Connecticut and the taxpayers of other parts of the country should be assessed in order to establish in some other area a supplementary mechanical means to develop a natural resource to the extent that it can continue to furnish increasing amounts of cheaper power, and thus attract industries to that area, away from Connecticut, and away from New England, where we must carry on and where we shall need to have increasing employment for our people?

Mr. President, the argument has been advanced here that the power which has been referred to will be used to supplement the power now available for one of our atomic energy installations. It is not argued that unless the steam plant is built with Federal funds, power cannot be provided. We all know it can be provided in many other ways. But, Mr. President, may the junior Senator from Connecticut remind the Senate that there are other instrumentalities, quite as important to the American economy in peace as well as in war, which do not depend upon an atomic energy plant? The American economy also depends upon all other kinds of industry.

Let us turn for a moment to the war years and to industry in Connecticut and in New England. During those years the per capita value of war production was the highest in the State of Connecticut than in any other State of the Union, and the skilled workmen and intelligent managers in Connecticut were proud to make that contribution. Those industries are vital to our peacetime economy, and they are likewise vital to our wartime economy. If they are torn down or remain idle there will be a serious loss to the productive effectiveness of the whole country.

Mr. President, it seems to me it is not good judgment to take a natural resource, develop it to its limit, then find it is overloaded by the attraction of users because of cheaper power, and then continue to develop it indefinitely through gratuities from the Federal Treasury. If there are natural resources in this Nation which we can develop, let us develop them, but when we have reached the ultimate limit of their development as natural resources, then it is not fair to expect that a natural resource in some other part of the country will receive the benefit of Federal attention and Federal funds in order that that natural resource may be brought to its full development and into its full utilization as a natural resource?

So, Mr. President, it seems to me we do not have a question of constitutional law involved; that is more or less beside the point. There is here involved a broad question of policy, namely, shall we appropriate Federal funds to develop a natural resource as a source of power, to its full extent, as a hydroelectric development and then, finding it developed to its fullest extent, shall we move elsewhere to some other natural resource and use Federal funds to develop that resource to its fullest extent? Let us not say, "We have attracted an overload to this area by virtue of this cheap source of power we have developed for the American people. Now we must step in and supplement it with steam generation. Let us go somewhere else and pick out some other natural resource, perhaps some other of a different kind from this, and develop it to its full extent as a natural source of power, as a natural field for reclamation, or irrigation, or what have you, for the benefit of all the people." It seems to me that if we are to pursue the policy proposed in the pending bill, if it is to pass without the Bridges amendment, we will in the long run be unbalancing our whole economy.

Mr. President, again the junior Senator from Connecticut says he stands here not as a representative of the power companies, who are well able to take care of themselves, but he stands here as a representative of hundreds of thousands of people in Connecticut who are now deeply concerned about their prospects for future employment. They remember the grand job they did during the war, and they are proud of it. On a per capita basis, their production, in dollar volume, surpassed that of any other part of the country. Their record for labor management relations, for the continuance of production, and a high man-hour record, is unparalleled in the whole land. They now face the prospect of wondering where their employment is to be, in the general recession in which the country now appears to be, and they are further faced with the prospect of being required to continue their contributions to the Federal Treasury, and seeing those contributions used in some other part of the country to develop there an industrial area which will be in direct competition with their own.

Mr. President, eastern Tennessee and northern Alabama are beautiful parts of the country. I have been there, and they are lovely indeed. I know that the people who live there now are attached to the soil and attached to the locality; it is their home. The same can be said of the people of Connecticut. Connecticut is a beautiful part of the country, too. The people want to live there and stay there, and in order to stay there and live there they must have employment, and in this time of threatened disruption of our national economy, when such tremendous financial demands are being made on us, not only here at home but throughout the whole world, it seems to me we should not embark upon a policy different from any I recall, such as that proposed by the particular bill now pending, of continuing to develop to an indefinite limit a natural resource which now has to be supplemented by mechanical means because it has reached the limit of its productive capacity as a hydroelectric generating facility.

Mr. President, reaching the highest total in 11 years, the number of claims for unemployment benefits in Connecticut rose to 67,974 during the week ended April 2, from 66,680 for the previous week. A year ago there were 24,333 applying for unemployment benefits. The amount

paid out during the week in veterans' readjustment allowances, under the Connecticut law, totaled $1,122,967.

Initial claims, which represent new unemployment, rose to 7,888 from 6,919 for the previous week. During the same week a year ago there were 2,582 initial claims. Since the beginning of 1949 initial claims have averaged approximately 7,000 weekly.

Mr. President, that is not the whole story; that is only a part of the story. Many of those who are still continuing to work, and who are not entitled to unemployment compensation benefits because they are working, are employed a greatly diminished number of hours compared to their employment a year ago. So that the employment picture in Connecticut is not a happy one to contemplate.

Under these circumstances, Mr. President, and under the circumstance that in other parts of the country there is the same situation, it would seem to me the better part of wisdom to postpone this particular appropriation, to attempt to preserve the situation as it is now, without adding to it some new features which will require a drastic readjustment, and in the ultimate logical process, may bring about a disruption of the entire industrial economy of the whole country. It would seem to me the better part of wisdom to postpone this action to a more propitious time.

For these reasons, Mr. President, the junior Senator from Connecticut intends to vote in favor of the amendment offered by the Senator from New Hampshire [Mr. BRIDGES] striking from the bill the appropriation for the New Johnsonville steam plant.

Mr. KEFAUVER. Mr. President, I know the Members of the Senate are anxious to vote on the pending bill this afternoon, so I shall not ask the indulgence of Senators very long.

I do wish to say that I am disappointed that any Member of the Senate would discuss the provision of the bill with reference to the steam plant appropriation from a sectional viewpoint, and I do not think the Senator from Connecticut intended to do that. If we are to oppose improvements in a particular section of the country from that angle, then we are never going to make very much progress in the development of the resources of this great Nation. I am certain that the distinguished Senator from Connecticut must appreciate that a development which is worthwhile in any section of the United States helps the economy of the whole United States.

Mr. BALDWIN. Mr. President, will the Senator yield for just one question?

Mr. KEFAUVER. I yield.

Mr. BALDWIN. I feel flattered that the Senator should refer to the remarks I have just made, and show an interest in the point of view we take at home.

Suppose there were a choice in the Senate today between making an appropriation for a steam plant in Tennessee or making an appropriation to further develop the water resources of Connecticut with Federal funds; which would the Senator support?

Mr. KEFAUVER. As a Member of the House of Representatives I always voted for appropriatons for the development of the water resources of Connecticut, as I have for the development of the water resources all over the United States. The RECORD will show that the Senators and Members of the House of Representatives from the Tennessee Valley area have voted for appropriations for harbor improvements, water development, and the development of other resources, all over the United tSates, without regard to the particular benefit the improvements would bring to a particular section.

Mr. BALDWIN. Mr. President, will the Senator yield further?

Mr. KEFAUVER. I yield.

Mr. BALDWIN. Let me preface my question with the statement that I appreciate what the Senator says about his support of harbor developments in Connecticut, and in New England generally, and his statement is indeed accurate. As a New Englander, and as an American from New England, I express my gratitude for the Senator's interest and support. I think, however, that the Senator did not quite understand my question, due, to the fact that I did not put it in the proper form.

The question I was trying to ask is ths: As between an appropriaton to any part of the country to develop a natural resource which is still in its natural state, and to bring it up to the full development of its uses as a natural resource, such as hydroelectric generation of power, and the choice of taking an area where the natural resource had been developed to the full extent that it could be developed as a hydroelectric system, and making an extensive appropriation further to add to the power generated by the hydroelectric system, by means of establishment of a mechanical or steam plant, which proposal would the Senator favor under those circumstances, irrespective of where it was in the country?

Mr. KEFAUVER. In answer to the distinguished Senator from Connecticut I would say that if in the northeastern part of the United States, in Connecticut, let us say, if a situation existed which was analogous to the one in the Tennessee Valley Authority, I would be here doing my best to try to secure approval and an appropriation for such a development. I certainly would not say that because it was not in the Tennesee Valley region or in the South I was opposed to it. I am sure I would be just as vigorous in joining the Senator from Connecticut in support of a project on behalf of New England, as I am in support of the pending measure.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. KEFAUVER. I yield.

Mr. AIKEN. I may point out to the Senator that on the St. Lawrence River there is an opportunity to build one dam which would generate more power than all the power generated in the TVA area last year. The construction of this dam has been prevented by certain business interests of New England and New York, who at the same time complain about the success of the TVA operation. All New England, outside the State of Maine, is within economic transmission of the St. Lawrence project. Nearly all of New York is within a 200-mile radius of it. Does the Senator agree that the development of this great river, the firmest flowing river in the world, 70 percent of it firm power, would be a good thing for the country?

Mr. KEFAUVER. I will say to the Senator from Vermont, in view of the fact that it is desired to bring the matter now before us to a conclusion as soon as possible, I do not wish to become involved in a discussion of other projects of this kind, for the Senator from Vermont very readily realizes the length to which such a discussion might go. I may say, however, that, from my own point of view, I think the St. Lawrence development is greatly worth while. I have always been for it, and I expect to support it, because I think it is the development of a great natural asset for the benefit of the country. It is certainly going to have my hearty support.

Mr. President, we should not overlook the very important fact that, though the purchasing power and the annual average income of the people of the Tennessee Valley area are still greatly below the national average, yet in the Tennessee Valley region great strides forward have been made agriculturally and in many other ways, so that the farmers in the Tennessee Valley area, by virtue of being able now to have electricity, and to buy more farm equipment, are in a better position to buy manufactured products which are made all over the United States, including those made in the State of the distinguished Senator from Connecticut. It should also be considered that very little of the equipment which goes into the dams built in the Tennessee Valley area, and very little of the equipment which will go into this steam plant is manufactured in the South. Most of it is made in the northern and eastern States. So construction of the steam plant would give employment to the workers and help the economy of those sections. I think practically all the generators which have gone into the hydroelectric plants were made at Schenectady, N. Y., or at Milwaukee, Wis.

Mr. President, it should also be considered that every dollar of investment that goes into this steam plant will be charged to the electrical operations of the Tennessee Valley Authority, which under a law passed by the Congress at the last session must be amortized and paid back to the Government within 40 years. So this investment in the steam plant is going to be paid for by the purchasers of electricity in the Tennessee Valley area.

Those of us who live in the Tennessee Valley area have no source of power except that provided by the TVA. We are simply asking that the Congress give us a spare tire. There is nothing of less value than a spare tire until it is needed, but when it is needed there is nothing that can take its place.

Mr. President, the record shows that the proposal is good from a business standpoint. Every private power utility likes to have a combination of hydroelec-

tric plants and steam plants. There certainly cannot be wise economy in not making it possible for the Tennessee Valley Authority to use all its prime power to the greatest possible extent. As matters now stand for about 9 months of the year water which would generate 3,000,000,000 kilowatt-hours of electricity is going to waste. If the steam plant is built, that much power would be firmed up by its operation over a 3-month period.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. KEFAUVER. I yield to the distinguished Senator from Maryland.

Mr. TYDINGS. I ask for information. The Senator just made the statement that for 9 months of the year there was so much water available that a great deal of power which was generated went to waste.

Mr. KEFAUVER. Yes.

Mr. TYDINGS. Will the Senator explain that statement in a little more detail? I do not quite follow it. Does the water go to waste because it cannot be utilized, or does it make power than cannot be sold, or both?

Mr. KEFAUVER. I appreciate the question of the distinguished Senator from Maryland, and I should have amplified my statement. Some water goes to waste, but the chief loss occurs in that during the period of 9 months or 8½ months, a great deal of power has to be sold as dump or secondary power, which brings a very low rate of return, whereas if the TVA could make firm commitments, as it would like to, for prime power, then the power which is sold as secondary or dump power would bring a greater price and result in a considerably larger revenue.

Mr. TYDINGS. I should like to ask the Senator further if it would be possible to hold the water in check so as to have it available for the 3 or 3½ months when the water supply is less than normal?

Mr. KEFAUVER. I will say to the distinguished Senator that I am sure the water which is held by the TVA dams is used to the very greatest facility in the generation of power and for the other uses of navigation and flood control. A visit in the TVA region during the end of the dry season will reveal that the lakes are down very, very low, so that the water supply is practically exhausted, just before the rain starts to fill them up again.

Mr. TYDINGS. I should like to ask the Senator how much the steam plant will cost when it is completed and in operation.

Mr. KEFAUVER. The cost, I believe, will be about $54,000,000.

Mr. TYDINGS. What prompts my inquiry is this: If we were to take the $54,000,000 and build another dam farther up the river to make two reservoirs or two pools of water, would it then be necessary to build the steam plant in order to have power during the dry period? Could we not impound water by building one or more dams and not utilizing the water, but turning it loose into the pools which are being depleted, so that the present plant would run continuously with water power, without the use of steam power being required at all?

Mr. KEFAUVER. The Senator's question is a pertinent one. It is gone into in a colloquy between the distinguished senior Senator from Oklahoma [Mr. THOMAS] and Mr. Clapp, the General Manager of the Tennessee Valley Authority. I find the following on page 198 of the hearings:

Mr. CLAPP. That is correct.

Senator THOMAS. You said you were not a lawyer, but I know you are a good electrical engineer.

Mr. CLAPP. I cannot qualify as an electrical engineer either.

Senator THOMAS. You are good practically, both a lawyer and an engineer. You have an alternative to building this steam plant, but it will be very expensive. You could dam those streams and the tributaries of those streams and watch the rainfall when it falls and hold the rainfall in the dam and then let the water down into hydroelectric dams as you needed it, but that would be a very, very expensive process, and it would cost you many times more to do that than it would cost you to build the steam plant you are asking for here.

Mr. CLAPP. It could be extremely expensive. As you move farther up into the tributaries, the drainage area you are damming up becomes smaller, of course, in proportion to the amount of concrete you are putting into the dam.

In the colloquy the Senator from Oklahoma stated that he agreed that it would be very expensive and not feasible. He also stated that wherever private utilities had hydroelectric plants they also had steam plants to firm up their power; and that in the Northwest, while the Bonneville and other operations do not have steam plants, they sell the power to private utilities operating in that region which, in turn, use it during the time when they have plenty, and then firm it up with their own steam plants. So I am certain that to follow the procedure suggested by the distinguished Senator would be a very expensive operation. Moreover, most of the tributaries are fairly well filled with dams, so that they would not be able to catch and hold back enough water to make any substantial difference. The reservoirs are pretty well used at the present time. It would be physically impossible and financially exorbitant for this procedure to be followed.

Mr. TYDINGS. Let me ask the Senator if in the testimony there is any statement showing what the increase in revenues will be to the TVA, assuming that the steam plant is built and can be operated during the 3½ months when the firming-up process is necessary from steam-plant operation, as against the existing situation, in which the excess of power must be sold in 8½ months, and because of that fact the contract price is less than it would be if there were stable power the year round. Do I make my interrogation clear to the Senator?

Mr. KEFAUVER. Yes; the Senator's query is clear. I am certain that I have seen a statement, either in the Senate or House hearings, as to what the anticipated increase in revenue would be. I do not find that statement at the moment, but I remember reading that Mr. Clapp testified that the New Johnsonville steam plant would be one of their most profitable electrical investments.

Mr. TYDINGS. Does the Senator from Tennessee recall whether or not the returns of the TVA by virtue of building this plant would be sufficient not only to amortize the steam plant proper, but to provide additional revenue to apply against the whole project?

Mr. KEFAUVER. I am certain that it would. In the first place, the TVA would not recommend an electrical installation that it could not amortize and pay off within a period of 40 years. Mr. Clapp's statement that this would be one of the most profitable electrical investments from the viewpoint of return would indicate that it would help pay off the rest of the cost. I believe it has been estimated that the steam plant would bring in additional revenue of $12,000,000 annually and that expense of operation and depreciation would amount to $5,000,000.

Mr. TYDINGS. If I am not delaying the Senator too long, would that income find its way year by year back into the Federal Treasury, so that the $54,000,000 would eventually be returned to the Treasury by way of revenue?

Mr. KEFAUVER. It must find its way back within a period of 40 years, so the entire investment in electrical properties will be returned to the Federal Government.

Mr. TYDINGS. For some time during my service here the senior Senator from Tennessee [Mr. MCKELLAR] has made considerable effort to have the revenues derived from TVA accounted for, and to some extent returned to the Treasury, particularly while Mr. Lilienthal was director of the TVA. My recollection is that the money stayed in the hands of the TVA to use pretty much as it desired for the further development of electrical properties.

What I am concerned about is this: If we appropriate the $54,000,000, will the revenues to be derived from the operation of the plant be kept by the TVA? If that situation continues indefinitely, the Government never will get back its original investment. Can the Senator clear up that phase of the matter?

Mr. KEFAUVER. Yesterday I stated the amount which had been returned so far, either returned directly to the Federal Government or reinvested in electrical properties with the approval of Congress. Of course, up to the present time we have had a period of expansion on the part of the Tennessee Valley Authority, when it has been building new facilities and additional transmission lines. In round figures, the amounts are approximately as follows at the present time: $34,000,000 has been returned to the Treasury——

Mr. TYDINGS. Out of how much?

Mr. KEFAUVER. Let me get the total returns.

On page 893 of the hearings on the independent offices appropriation bill for 1950 there is a statement showing the return to the United States Treasury proper as $36,970,334; bond redemption—these bonds were issued to pay the Commonwealth & Southern for property which was purchased—$16,072,500; interest paid on bonds, $7,358,636. Added

to that should be the amount which has been reinvested from the earnings of the Tennessee Valley Authority in electrical properties, with the approval of Congress. I believe the figure was stated in the RECORD yesterday to be approximately $75,000,000.

Mr. TYDINGS. As I understand, more than $700,000,000 has been expended for the development of TVA. Is that correct as a round figure?

Mr. KEFAUVER. That is correct. Almost $800,000,000 has been invested in TVA. I should like to invite the Senator's attention to this fact: Those investments include the investment for navigation and flood control, in addition to the electrical business. The part of the investment charged to electrical operation stands at about $440,000,000.

Mr. TYDINGS. I have often heard that figure, but I take exception to it for this reason: First of all, there is very little commercial navigation in that area, as the Senator well knows. I do not mean that there is none, but it is infinitesimal. Furthermore, there were floods long before this project was built; and I do not believe that we have had $400,000,000 worth of floods. I take it that the value of this project lies primarily in the great amount of electric power which it brings to the community. In my bookkeeping I would charge at least three-quarters of the investment to electrical development.

I would say, without in the slightest way wishing to reflect on the other advantages, that I think the great advantage is the bringing of cheap electricity to that community.

Mr. KEFAUVER. Mr. President, I appreciate the observation the Senator from Maryland has made, and at some time I should like to discuss the value of flood control and navigation furnished by TVA. We have had very greatly increased navigation in the Tennessee River, and I think I should call this point to the attention of the Senator from Maryland: At Chattanooga, where I make my home, it has been estimated that on the average the TVA dams above Chattanooga have saved the city from an average of approximately $2,000,000 of damage a year. We, in years past before TVA, have had very severe floods which have completely covered the downtown section of Chattanooga; and those dams have been able to bring the crest of the river down very considerably at Chattanooga. Moreover, recently I saw a statistic by the TVA, which I think was joined in by the Corps of Engineers, that the control of the water in the Tennessee River by means of dams had lowered the flood crest of the Mississippi River by several feet—perhaps by 3 feet, I think—and thus greatly lessened the burden and the menace of flood on the Mississippi River. So it has been of great and substantial value.

But I also should point out to the Senator from Maryland that not all the dams are charged partly to flood control. The dams which were built during the war, specifically as war measures—such as Douglas Dam and Cherokee Dam—although serving for flood control and navigation to a considerable extent, are charged entirely to electrical operations.

Mr. TYDINGS. Mr. President, my general inquiry into this subject has been made because with $800,000,000 of Federal money invested in this whole project, it seems to me, without belittling it—because I do not mean to do that—that the time has come for a reorientation of the whole project. It seems to me that inasmuch as we have almost a billion dollars invested in it, the use of revolving fund to expand it still further should not be left up to the directors, but should be left up to the Congress.

Now that the pioneering work has largely been done, I believe it is wise to have the revenues derived from the TVA turned into the Treasury of the United States, and Congress from now on should determine, it seems to me, what new projects in the way of extensions of transmission lines or what-not within reasonable limitations should be undertaken.

I can understand how in the early days there was a tremendous amount of latitude because the whole proposition was in a formative state. But in my opinion when we bring our investment in this entire project up to $800,000,000, it is a major enterprise; and it seems to me that from then on the revenues should be turned into the Federal Treasury, just as any other revenues coming from comparable operations are turned into the Federal Treasury, and an accounting made, and then the Congress should decide where it wishes to continue the expansion of the project.

I have generally supported a great deal of this program; but it seems to me that by having it revolve in one particular community, we might in the end penalize other communities of the country which perhaps may be in greater need at the moment than are some of the communities affected by enterprises undertaken in this locality.

Mr. KEFAUVER. Mr. President, I appreciate the observations the Senator from Maryland has made, but I am sure he will agree with me that they are not matters which pertain to this particular legislation.

Mr. TYDINGS. Of course they are not involved in this particular legislation at all.

Mr. KEFAUVER. Of course, all the major projects of the TVA—the dams and steam plants—in the past have been appropriated for by the Congress, by specific acts of the Congress.

Mr. TYDINGS. That is correct.

Mr. KEFAUVER. Moreover, the Appropriations Committees of the House and the Senate go over all the TVA expenditures for electrical purposes, and have done so over the years.

Mr. TYDINGS. However, I think the time has come when we should reorient the approach of Congress to this matter, and not leave four or five men in charge of such a vast enterprise, able to do almost whatever they wish to do, except in the case of major improvements. That is the point I wished to bring to the attention of the Senator from Tennessee. There are other questions, but I shall not take time to ask them now.

Mr. KEFAUVER. I thank the Senator.

Mr. President, to show the fact that it is a good business operation to firm up the power that its generated by the hydroelectric dams of the TVA, I have an advertisement of the Union Electric Co. of Missouri. I wish to read several paragraphs of the advertisement. It points out witht a great deal of pride what a good power system it has, that it can have prime or firm power all the year round, and that it is well balanced by having a certain number of steam plants to augment or supplement the hydroelectric plants during the dry seasons.

I read from the advertisement:

> One of the characteristics of hydroelectric plants, such as Bagnell, is that the amount of electric power available from the plant varies with the flow of the river. When water is plentiful and hydro is flush, as it usually is in the spring and fall, power is abundant and the plant may carry full load around the clock, day after day. At other times times during the year when the flow of the river is low and in consequence the amount of power available is limited—

Then it goes on to tell how the steam plants supplement or firm up the power.

I read now from another paragraph in the advertisement:

> In contrast with the variability of water power, steam-power plants can carry their full capacity for long periods of time and by using Bagnell—

The lake where the hydroelectric system is—

> in combination with our five steam-generating plants located in St. Louis, we are able to use to the fullest extent the varying output of power at Bagnell.

Mr. President, inasmuch as we have asked the TVA to conduct this operation in a strictly businesslike manner, in order to make the most out of the investment the Federal Government has in the Tennessee Valley Authority, we should not stand in their way in their effort to make this operation a successful business enterprise. The only way it is practical and feasible for the TVA to firm up the power which is available most of the year, but is not available when the water is low, is by building the new Johnsonville steam plant. If the TVA can do that, it will be able to secure contracts for firm power all the year round, for the power which will be available.

Mr. President, the TVA is a great national defense asset. The great plants in the TVA area which are necessary for the defense of our Nation have been discussed. In the interest of defense, as well as in the interest of a successful, sensible business operation, I believe the Tennessee Valley Authority should be authorized to build this steam plant and should receive an appropriation for building it.

Mr. President, I shall not go into detail about the amendment of the distinguished Senator from Michigan [Mr. FERGUSON], but I point out that the charter of the TVA fully authorizes the construction and operation of steam plants. The distinguished Senator from Missouri [Mr. DONNELL] has discussed that matter fully and most ably. There can be no question as to the logic of his conclusion.

The Supreme Court has held that an act which authorizes a contest, where there is not a real controversy between people, is itself unconstitutional. So I think the amendment of the distinguished Senator from Michigan would really be asking the Senate to do something which is unconstitutional; and there are a number of cases to sustain that viewpoint which I can give if necessary. This steam plant is fully authorized by the charter of the Tennessee Valley Authority. One steam plant has previously been built. Certainly under the property clause of the Constitution, if the Government has a property, as it has in this case, which it can make more valuable and the product of which it can sell to better advantage, then there can be no constitutional obstacle to the granting of this appropriation.

So I urge Members of the Senate not to put an economic lid on the development of our section, not to penalize the TVA in its effort to operate the property of the United States Government on an efficient basis, but to grant this appropriation, which will be fully repaid to the Federal Government within the time required by the amortization law enacted by the last Congress.

Mr. CAIN. Mr. President, I am not prepared at the moment to vote either for or against the amendment offered by the Senator from New Hampshire, but I think that with some assistance from the distinguished Senator from Tennessee [Mr. McKELLAR], if he will be so thoughtful as to answer some of the questions that really concern me, I might in a very few moments be prepared to vote.

Mr. McKELLAR. I shall be very happy to answer any questions I can. I am not sure I can, but I shall be very glad to do so if possible.

Mr. CAIN. I deeply appreciate the Senator's attitude. I should like to say, because it may interest the Senator from Tennessee, that I am asking these questions because of my own uncertainty. It has been a surprising fact to me that with reference to the desire to erect a steam plant in Tennessee under the Tennessee Valley Authority I have not received from the Pacific Northwest a single communication either in support of that desire or in opposition to it.

I seek information in order that I may not only satisfy my own concern as to where we are heading but in order that I may be able adequately to explain to those who, as the Senator from Tennessee knows, are very greately interested in the development of power in the Pacific Northwest, what the past record is and what the future intentions are of citizens living within the jurisdiction of the Tennessee Valley Authority.

My first question is, Does the Senator from Tennessee know what the water power potential of the rivers under the jurisdiction of the Tennessee Valley Authority is? What is the total volume in number of kilowatts to be produced when those rivers have been fully developed in terms of power generation?

Mr. McKELLAR. The dams on those rivers have not all been developed. There are other dam sites which may be developed and which no doubt will be developed. But, so far as this particular steam plant is concerned, it is necessary because of the hydroelectric power which has already been generated. It is designed to make possible a constant flow of power to those with whom the Tennessee Valley Authority has already made contracts.

The Senator understands, no doubt, that all the power business in Tennessee is now owned by the Tennessee Valley Authority. A number of years ago, the Authority agreed to sell power to various municipalities and to others under the terms of a contract which has been upheld by the Supreme Court.

Mr. CAIN. I understand that. I further understand what the construction of a steam plant within the jurisdiction of the TVA will mean. I am sympathetic and appreciative of what a steam plant would do, because it is perfectly natural that those living within the Tennessee Valley should desire to firm up the secondary power, obviously in order that more power will be available for greater expansion and development purposes.

Mr. McKELLAR. It is also desired in order that it can be sold as firm power, as the Senator understands, which brings a higher price than secondary power.

Mr. CAIN. I understand.

Mr. McKELLAR. The estimated peak demand for 1951–52 is 3,230,000 kilowatts. The corresponding assured capacity on the basis of facilities existing or under construction is 2,956,000 kilowatts.

Mr. CAIN. Will the Senator permit me to restate my original question?

Mr. McKELLAR. Yes.

Mr. CAIN. What will be the number of kilowatts when all the water resources under the jurisdiction of the Tennessee Valley Authority have been fully developed?

Mr. McKELLAR. I am getting for the Senator the figures. However, the examination into that question has not been completed. There are a great many dam sites on the tributaries especially of the Tennessee River. It depends on another thing, also. On the Cumberland River, which is north of the Tennessee River and flows in the same general direction, there are a great many dam sites which are still undeveloped. No one has the figures up to date, so far as I know, as to the total potential power inasmuch as all the investigations are not completed.

Mr. CAIN. I assume, I may suggest to the distinguished Senator from Tennessee, that someone must know, in fact, many people must know, what the total number of kilowatts will be when the waters within the Tennessee Valley are fully developed. The Senator might ask me similarly about the Columbia River, and I could may in reply it is a fact that we have a total power potential in terms of kilowatts of more than 30,000,000, and as of today we have installed generators to produce 10 percent, or 3,000,000 kilowatts. I should like to have the Senator satisfy my curiosity, if he can, and I know he will, as to the power potential, for example, as between the Columbia River and the rivers within the jurisdiction of the Tennessee Valley Authority. Is it a matter of 10,000,000 kilowatts in prospect, or 5,000,000?

Mr. McKELLAR. I shall have in a moment the latest figures available. Does the Senator from Washington have other questions?

Mr. CAIN. I have several that I should like to ask with the Senator's indulgence.

Mr. McKELLAR. I shall indeed be glad to have the Senator ask the questions.

Mr. CAIN. How many kilowatts is it estimated will be produced by the steam plant if it is authorized and constructed?

Mr. FERGUSON. Mr. President, if I may suggest, I think the figure is 375,000 kilowatts.

Mr. McKELLAR. Three hundred and seventy-five thousand kilowatts is the correct answer.

Mr. KEFAUVER. Mr. President, will the Senator yield?

Mr. CAIN. I yield. I may say to the junior Senator from Tennessee I shall very much appreciate any information which may be provided by any Senator familiar with the situation in the Tennessee Valley, because I am seeking information which I have not thus far been able to obtain.

Mr. KEFAUVER. I may say to the Senator that on page 214 of the Senate hearings there is a list of all the dams which have been built, except Watauga and South Holston.

The installed capacity, as of December 1948, is 2,203,000 kilowatts. Mr. Clapp was asked a question as to what the present total installed capacity was, and on page 195 of the hearings it will be found that he afterwards furnished the information that the total capacity presently installed and under construction is 3,449,000 kilowatts, of which 445,000 kilowatts is steam. The information shows that by adding the capacity requested in the deficiency bill will bring the total capacity by June, 1952, to 3,838,000 kilowatts, of which 785,000 kilowatts will be steam, or approximately 20 percent of the total.

Mr. CAIN. Is the Senator speaking of capacity which will be in force as of a given date?

Mr. KEFAUVER. Yes.

Mr. CAIN. May I inquire if the Senator knows what the total power potential output in terms of kilowatts may be? Going back to the Columbia River as a comparison, if and when that river is fully developed, it will produce 30,000,000 kilowatts of power against the 3,000,000 which is being produced today.

Mr. KEFAUVER. Of course, I am sure the senior Senator from Tennessee is better prepared to furnish the details.

Mr. CAIN. The senior Senator from Tennessee is hopeful of getting the information, but he did not have it at the time I asked the question a few moments ago.

Mr. KEFAUVER. Before the river reaches Knoxville it divides into quite a number of tributaries. Of course, the tributaries have a certain power potential, but the question of economic feasibility arises in the case of the smaller tributaries.

Mr. CAIN. I dare say the engineers have pretty conclusively arrived at a

total power potential, which is available to the Tennessee Valley when properly developed.

Mr. KEFAUVER. I am advised that it is not planned to build many more dams. It is considered that there are many more sites. As to what the total potentiality will be, I am unable to say.

Mr. McKELLAR. Mr. President, we are getting the latest available information for the Senator from Washington.

Mr. CAIN. I was asking several questions concerning the steam plant itself. I understood it would produce approximately 375,000 kilowatts.

Mr. McKELLAR. That is correct.

Mr. CAIN. It would take approximately 4 years to construct it and place it in operation, and its total cost would approximate $54,000,000; is that correct?

Mr. McKELLAR. That is correct.

Mr. CAIN. May I ask this question of the senior Senator from Tennessee? Has the Tennessee Valley Authority, since it found it needed additional power to firm up its power, made any attempt to buy firming power from private industry? There is a reason for that question. We are concerned in trying to develop a Federal power policy, and there is reason to think there is a difference between a hydroelectric development on the one hand and a steam-plant operation on the other hand. I wonder if any negotiations have been had with private power companies to determine whether they could provide for the Tennessee Valley the firmed-up steam-plant power which they so obviously need.

Mr. McKELLAR. The answer to that question is that there is such a scarcity of power in that area that, as a matter of fact, there is none to buy. It is necessary to build a steam plant in order to get the firm power.

Mr. CAIN. The Senator has said rather firmly, in answer to my question, that there are no private power companies available in that region from which to buy surplus power; is that correct?

Mr. McKELLAR. That is correct.

Mr. CAIN. I wonder if any private company has ever been encouraged or asked to construct a steam plant for the purpose of selling power to the TVA for resale to its present consumers.

Mr. McKELLAR. I know of no such application.

Mr. CAIN. I think my question is based on a very sound premise. As we are faced with the need of continuing the development of our river systems, how much happier it might be for all of us if private dollars were to be invested in steam plants for the purpose of producing power for sale, not necessarily to the TVA, but to other public agencies in other sections of the country.

Mr. McKELLAR. I may say to the Senator that electricity is, in its nature, monopolistic. Before the Tennessee Valley Authority was developed, one company had the ownership and control of practically all the electricity produced in Tennessee. That company was the Tennessee Power Co. When the TVA took, over, it entered into a contract to purchase a number of steam plants.

For instance, the TVA acquired the Hales Bar steam plant, a steam plant near Nashville, and a steam plant at Parksville, Tenn. The Government had built the Wilson Dam steam plant, and the Watts Bar steam plant was authorized in 1940, which has a capacity of 240,000 kilowatts. The TVA has five major steam plants and several smaller ones. As I recall, the total kilowatt capacity of these steam plants is 450,000 kilowatts.

It was known from the very beginning that it was absolutely necessary to have steam plants in order to make firm power which could be sold at all seasons of the year. There are two seasons of the year, in Tennessee, when it is necessary to use steam plants. One is a rather long season in the fall of the year, when the weather is dry and there is very little water. The other season is in the wintertime, from the latter part of December into January and February, when there is an oversupply of water. Under those circumstances it is necessary to drain the water off to take care of flood waters which come in the spring of the year, and it is necessary to use steam power. Not so much steam power is required in that season as is required in the dry period, but some steam power has to be used. It is absolutely necessary, and it has been from the beginning, even when the Tennessee Power Co. controlled all the power. No objection had been made to steam plants until last year. I think that was the first time any objection was ever raised to steam plants. This is not a new matter at all.

Mr. CAIN. At the moment I am not talking about objections to a steam plant. I am raising the question as to whether we should not carry out the development of hydroelectric possibilities, of which there are scores in almost every region of the Nation, before we embark seriously on creating stream plants to firm up secondary power. If we had a national power policy, I would not find it necessary, as the Senator knows, to raise that question, but I find it advisable to do so in this connection.

Mr. McKELLAR. The main sites have been developed. There are other smaller sites on the tributaries which have not been developed. They have been regarded as not feasible in the system at this time, but the Authority must have the steam plant whether they develop the smaller sites or not. They have to have the steam plant in order to firm up the power.

Mr. CAIN. I wonder if I understand the Senator from Tennessee correctly, because my assumption is that he has just said that the water potential presently under the jurisdiction of the TVA has been fully developed, namely, that the rivers have been used about as effectively and economically as they can be used, and that from now on if the Tennessee Valley is to benefit from additional kilowatts, provision must be made for power to be generated in steam plants, and not from river developments. Is the Senator from Washington to understand the position of the Senator from Tennessee in this instance to be that the TVA must obtain power generated from steam plants in the future in addition to the total number of kilowatts presently being developed by the rivers there and the number anticipated with reference to the future?

Mr. McKELLAR. I have the figures now about the present kilowatt capacity, and that which may be developed, which I shall give the Senator.

The present and authorized projects, including the New Johnsonville steam plant, will by 1953 have a capacity of 3,900,000 kilowatts. The present kilowatt capacity is 2,800,000. There is a difference of 1,100,000.

Mr. CAIN. I understand there is a difference in that connection, but it still does not explain the difference between what is already authorized by the Congress and what the actual potential of the region happens to be. They may be one and the same thing; I do not know.

Mr. McKELLAR. I am giving the potential figure.

Mr. CAIN. The ultimate capacity of the Tennessee Valley?

Mr. McKELLAR. That will be the ultimate capacity, according to the engineers of the TVA.

Mr. CAIN. Something in excess of 3,000,000 kilowatts?

Mr. McKELLAR. Three million nine hundred thousand kilowatts?

Mr. CAIN. I understand, and I am very grateful for that information.

Mr. McKELLAR. However, that includes the steam plant, with a capacity of about 375,000 kilowatts.

Mr. CAIN. Will the Senator permit me to ask him another question?

Mr. McKELLAR. Certainly. Any question I can answer I shall be delighted to answer, because there is no secrecy of any kind about this matter.

Mr. CAIN. The President of the United States today has sent to the Congress a message in sturdy support of his proposal that a Columbia Valley Authority be created in the Pacific Northwest. In the middle of the first page of the statement he refers to the Tennessee Valley Authority in these words:

> The Tennessee Valley Authority * * * has been spectacularly successful in achieving many of the goals of a wise and balanced use of resources.

During much of the debate I have been impressed with the statements of the senior Senator from Tennessee and other Senators who supported the steam plant when they have said, "We need the steam plant to make our operation more economical and more efficient."

Mr. McKELLAR. And to sell the product at a greater price in the interest of the Government.

Mr. CAIN. Exactly. But I wonder what the Senator is actually talking about. Is the Authority presently and has it been operating an uneconomical system?

Mr. McKELLAR. No; they have been operating an economical plant for a number of years, and it is paying well. It pays between 3 and 4 percent on the amount of money the Government has invested for all purposes. This is a multiple purpose system of dams.

Mr. CAIN. I understand that.

Mr. McKELLAR. Will the Senator indulge me a moment?

Mr. CAIN. Certainly.

Mr. McKELLAR. The Senator referred to the Columbia Basin project, but he has not referred to the Missouri River project. In January 1933, President Roosevelt, who was President-elect at the time, sent me a telegram, and a similar telegram to Senator Norris, of Nebraska, and Senator Clarence Dill, of the State of Washington, one of the predecessors of the Senator who now has the floor. He asked us to visit with him in his private car at Muscle Shoals. We went there, and I should like to show the Senator some time a picture of the party as they were at Muscle Shoals.

Mr. CAIN. I should like to see it.

Mr. McKELLAR. I think I was probably a little more active than Senator Dill and Senator Norris were at the time. We had already had a start at Muscle Shoals. I had introduced a bill for the construction of the Muscle Shoals Dam, and, therefore, the Tennessee Valley got a slight lead on the Missouri River and the Columbia River projects. I believe that all three projects should have been adopted. I still think the others should be developed. I think it would be to the best interests of our common country that all three should be developed. They should be developed with the greatest care. We should look after the interests of the private operators, but inasmuch as the deveopment of electricity is by nature a monopolistic enterprise, private interests should have charge of the development in certain areas and the public in other areas. The three projects mentioned were three President Roosevelt felt at the time might be developed by the Government, leaving the rest of the country to private industry.

Mr. CAIN. Let me make an observation to the Senator from Tennessee. From what he has taught me so well up to date, first, the operation of the Tennessee Valley Authority with reference to its output and utilization of power has been both effective and efficient.

Mr. McKELLAR. And economical, as well.

Mr. CAIN. But the Senator and his associates wish to construct the proposed steam plant to make their over-all operation even more effective and efficient than it has been to date.

Mr. McKELLAR. Exactly.

Mr. CAIN. Against that observation, may I ask if the Tennessee Valley Authority is today able to satisfy all its contractual obligations?

Mr. McKELLAR. Substantially all. Any lack of power to do so has been because of unusual circumstances. The demand for power is constantly increasing, as the Senator knows, and in order to take care of the contracts it now has, and the applications for new business which are already coming in—and that includes a number of war operations in Tennessee, such as the Oak Ridge project and others, the chemical plant there, and the like—it is absolutely necessary to have a steady flow of firm power, and that is all we are seeking to provide through the pending bill.

Mr. LUCAS. Mr. President, will the Senator from Washington yield?

Mr. CAIN. I yield.

Mr. LUCAS. I should like to make a statement for the benefit of the Senator from Washington. Between 1945 and 1947 residential and rural consumers in the Tennessee Valley increased their consumption of power by 60 percent.

Mr. CAIN. That is correct.

Mr. LUCAS. In the same period commercial and industrial consumers increased their requirements by 25 percent. It is estimated that by 1952 rural and residential requirements will be 90 percent over the 1947 requirements. Likewise, commercial and industrial consumption is expected to increase 65 percent by 1952. There is no dispute that new sources of power must be developed in order to meet the growing demand for power.

Mr. CAIN. Let me say to the senior Senator from Illinois and to the senior Senator from Tennessee that they have both established a point that satisfies my curiosity, namely, that with reference to debts, the TVA finds it possible to meet every penny of its obligations, 100 cents on the dollar; but what TVA not only needs and wishes but must have, is additional power with which to meet obligations which are not under contract today, but which everybody knows are anticipated or are pending.

Mr. McKELLAR. Mr. President, I have been advised that approximately 100,000 farmers who belong to rural organizations, such as the REA and others, have made application to the Tennessee Valley Authority for power, and are unable to get it because the Authority is unable to furnish a steady flow of power. It is absolutely necessary to have the steam plant to aid in this undertaking.

Mr. CAIN. I have tried to make very clear to the senior Senator from Tennessee that I note that the requirements are such that more power must be generated. Some of the questions I have raised have been hard-headed and searching from my point of view, because I am hopeful that, with reference to steam plant operations, the power from such plants could be provided by sources other than Federal dollars. I know the Senator has not begrudged any of these questions.

Mr. McKELLAR. Not at all. I have welcomed them.

Mr. CAIN. I notice my colleague, the senior Senator from Washington, sitting in the Chamber. We are tremendously concerned not only over what the Senator is attempting to have accomplished and wants to do in the future in the Tennessee Valley, but we wonder where we are going in the Pacific Northwest. As I mentioned a few minutes ago to the Senator from Tennessee, the Columbia River, the second largest river, I suppose, next to the Missouri, in all America, alone has a power potential of 30,000,000 kilowatts. We have accomplished approximately only 10 percent of the job. No dollar of Federal expenditure which is used elsewhere in this country for the development of hydroelectric power would find me or my colleague in opposition. But now we are presuming to start to establish steam plants. We are only starting one now in the Tennessee Valley, but I think that will be a reasonable precedent, sir.

Mr. McKELLAR. Oh, no; the Senator is mistaken about that. As I have stated, the TVA now has five major steam plants and several smaller ones, having a total capacity of 450,000 kilowatts.

Mr. CAIN. Under the jurisdiction of TVA.

Mr. McKELLAR. No; they are owned by the Tennessee Valley Authority. Some of them were built by the Tennessee Valley Authority. The strange thing to me and to others who are interested in this matter is why this particular steam plant has been selected to bring on a fight of this kind.

Mr. CAIN. Let me ask a question. I do not know its answer. What is the logical difference between the steam plant we have under consideration today and the other steam plants which I understood the Senator to say have previously been constructed by the Tennessee Valley Authority?

Mr. McKELLAR. Does the Senator mean how much capacity each one has?

Mr. CAIN. No; wherein lies the fundamental difference? If questions are being raised about this one, were similar questions raised about the other plants?

Mr. McKELLAR. No questions at all were raised about the other plants. The appropriation for the Watts Bar steam plant, if I remember correctly, was passed by unanimous consent.

Mr. CAIN. I am not qualified to say, because I was not in the Senate then.

Mr. McKELLAR. I know there was no opposition on the floor to the Watts Bar steam plant, or to the one at Muscle Shoals, when it was proposed to build a steam plant there. Muscle Shoals is the largest dam. There was no opposition when the plant at Chickamauga, just below Chattanooga on the Tennessee River, was under consideration. There was no objection raised to the other plants which have been built. The belated opposition to the steam plant under consideration is something which surprises me very much. I really thought there would be no trouble about it. The Senate passed the appropriation for it by a considerable majority a year ago. The item went to the House for its consideration. I had no idea it would be attacked in the House, but it was, and the item was defeated in the House. We now have before us a provision for appropriation for the steam plant similar to the provision which was before Congress last year.

Mr. President, I wish to read from page 16 of the hearings before the subcommittee of the House Committee on Appropriations on the first deficiency appropriation bill for 1949 as follows, being a part of Mr. Clapp's testimony:

GENERAL FUNCTION OF STEAM PLANTS IN TVA SYSTEM

I think the committee understands the general function of steam plants in the TVA system. This is predominantly a hydroelectric power system, producing power from dams that are designed, built, and operated primarily for flood control and to maintain navigable channels.

Mr. CAIN. A multiple-purpose dam?

Mr. McKELLAR. A multiple-purpose system of dams.

And operated primarily for flood control and to maintain navigable channels. The fact that these are multiple-purpose dams places certain practical limitations up their use in the production of electricity, and in order to get the best use of the controlled water in the Tennessee River system, we use steam plants to firm up the hydro power that is otherwise available in large quantities only during certain seasons of the year.

Mr. CAIN. What is the date of the hearing?

Mr. McKELLAR. January 28 of this year before the House subcommittee on deficiencies.

Mr. CAIN. It is my understanding that in 1936 the Congress authorized or directed the Tennessee Valley Authority to report fully to the Congress on its experience up to that time. May I inquire of the Senator from Tennessee whether included within that report any portion of the discussion was devoted to the need of steam plants in the future to firm up secondary power? For how many years, in other words, have we been talking about the need for secondary power being firmed up through steam plants as auxiliaries to hydro-electric-river systems?

Mr. McKELLAR. As I remember, there was very little said about it for the reason that we had built the steam plants to which I have referred, one at Muscle Shoals, and the other places I have mentioned. The Wilson Dam steam plant, which had already been built, and no particular point was raised with respect to any of them. The biggest fight came up last year when Mr. Smith, a representative of the power companies in Washington, made a spectacular fight to stop steam plants on the theory that we were starting a general steam plant proposal. That was an entirely new point. That is not the purpose at all. It is not the purpose to go into the steam-plant business. The plant is to be erected merely for the purpose of aiding the Government in disposing of its power to the best advantage to the Government itself and to the best advantage of those who buy the power from the Government.

Mr. CAIN. Would the distinguished senior Senator from Tennessee construe the establishment of this steam plant in itself as creating a precedent which is likely to result in other steam plants being authorized for other sections of the country before we have had a chance in every section of the country fully to develop our water resources?

Mr. McKELLAR. I see no reason at all why this particular plant would have the slightest effect on that situation, any more than the building of the one at Wilson Dam had, or any more than the building of the one at Muscle Shoals Dam had, or the one at Watts Bar Dam. They have never had the effect of interfering in any way with the private power business at all. The Government is not setting up an independent steam-power business, and does not propose to do so.

I want to say to the Senator from Connecticut [Mr. BALDWIN], whom I do not see on the floor at the moment, that we are not undertaking to take business away from Connecticut or from any other State. We wish to take care of the business we have in the Tennessee Valley, which is asking for more power and is unable to get it.

Mr. CAIN. The Senator certainly is being very helpful to my thinking.

Mr. McKELLAR. I am trying to be.

Mr. CAIN. The Senator has provided information with which those of us who have not been long in the Senate are totally unfamiliar.

Mr. McKELLAR. I am very happy to contribute anything I can; and I wish to be entirely accurate. If I make any mistake in figures, I should like to have my attention called to it, because I do not want to make any mistake.

Mr. KEFAUVER. Mr. President, will the Senator yield?

Mr. CAIN. I yield.

Mr. KEFAUVER. A few minutes ago the Senator from Washington inquired if there had been any discussion in connection with previous appropriation bills relative to the question of building steam plants to firm up power.

Mr. CAIN. That is correct.

Mr. KEFAUVER. I invite the Senator's attention to the CONGRESSIONAL RECORD for July 30, 1940, at page 9738, and many pages prior thereto, on which will be found the debate in the House of Representatives on the Watts Bar steam plant.

Mr. CAIN. I am grateful to the Senator, and I shall read those pages with real interest.

Mr. KEFAUVER. This question was fully discussed. The appropriation for the Watts Bar steam plant was the main question involved. On a motion to recommit, the vote was 125 to 299, and on the passage of the bill it was 265 to 93. In the discussion at that time there was no doubt that the Congress was fully authorized, constitutionally and within the TVA Act, to appropriate for the steam plant. There is a very full discussion of the Watts Bar steam plant in those pages.

Mr. McKELLAR. Mr. President, in further answer to the Senator's question, I have the testimony of Mr. Clapp, Chairman of the Tennessee Valley Authority, on the 26th of January 1949. This testimony gives the names of the steam plants and their location. It appears on page 16 of the House committee hearings on the first deficiency bill. I shall not read it because it is along the line of the statement which I have already made. I ask unanimous consent this excerpt from the testimony may be printed in the RECORD at this point as a part of my remarks.

There being no objection, the except was ordered to be printed in the RECORD, as follows:

The additions we are requesting in this supplemental are a natural development of the TVA power system. I believe this committee is well aware of the fact that the power system of the Tennessee Valley Authority has been a hydro and steam combination from the beginning. The committee will recall, I am sure, that at the time the Government built Wilson Dam which was started during the First World War and finished in the 1920's, Congress also authorized, and there was built by the Government, a steam plant known as the Wilson Dam steam plant, of 64,000 kilowatts capacity. Then, at the time of the major acquisitions of private utilities properties, during the period closing generally in 1939, TVA in collaboration with the municipalities and rural electric cooperatives of the power service area, bought a combination hydro and steam system from the private utilities. The TVA purchased the generating and transmission facilities of the existing companies, the municipalities bought their distribution systems, and the rural electric cooperatives bought those parts of the distribution systems which were in the areas in which they were going to retail TVA power.

At the time that acquisition was made, TVA not only acquired, for example, the Hales Bar Dam which had been built on the Tennessee River and operated by the Tennessee Electric Power Co., but we also bought several large steam plants, including a steam plant at Hales Bar Dam, a steam plant near Nashville, Tenn., a steam plant at Parksville, Tenn., etc.

Then, in 1940, through the regular appropriation procedure Congress authorized the TVA to build the Watts Bar steam plant near Watts Bar Dam which was under construction at that time. That steam plant at Watts Bar has a capacity of 240,000 kilowatts. Today, out of a total system capacity of some 2,650,000 kilowatts capacity, 450,000 kilowatts is in steam plants.

Mr. KERR. How many steam plants do you have?

Mr. CLAPP. We have five major steam plants and several smaller ones—the small plants have a total capacity of about 20,000 kilowatts. Altogether, our steam plants, the one we built, the Wilson Dam steam plant that the Government built during the First World War, and the ones we bought, now total 450,000 kilowatts—considerably in excess of the capacity of the presently requested units for the New Johnsonville steam plant.

Mr. CAIN. Mr. President, I thank the Senator. I appreciate having the opportunity to read the testimony.

Mr. McKELLAR. Has the Senator any further questions?

Mr. CAIN. I have two more questions. First, if this appropriation is granted, what sum of money will be requested for the steam plant in the fiscal year 1950?

Mr. McKELLAR. The estimate is $16,500,000.

Mr. CAIN. I know the distinguished senior Senator from Tennessee will not think that this observation has any prejudice within it. I wish I knew whether or not we have a Federal power policy. So far as I know, we have none with reference to the relationship of the respective rights as between steam plants on the one hand and hydroelectric plants on the other.

Mr. McKELLAR. The answer is a perfectly natural one. The two must be used together. One is the complement of the other. The production and sale of electricity is almost a natural monopoly, so the two must be used together, and can only be used together where waterpower is available.

Mr. CAIN. I agree that they must be used together, in due course. Whether or not a steam plant should actually be owned and operated by the Federal Government is, I take it, a question upon which one could argue for a long time. But the question I raise is whether or not we should encourage the erection of steam plants before we have more adequately developed the water resources of the country and provided for multiple-

purpose dams by means of which much more can be done with reference to navigation, flood control, and the generation of electricity than has been done thus far.

Mr. McKELLAR. I understand the Senator's question perfectly. I see his point. The Tennessee Valley Authority is the best-developed water power project in America.

Mr. CAIN. And it is being efficiently operated today?

Mr. McKELLAR. Yes. For quite a while, as some of my colleagues will remember—I know that the Senator from Maryland [Mr. TYDINGS] will remember, because he referred to it this afternoon—I had very serious doubt as to whether it was being economically managed. But under the present management of the Authority I have been convinced that Mr. Clapp is a very efficient man. He has very efficient employees. The project is making money. It is bringing in a return. As the Senator from Maryland pointed out a while ago, there may be some corrections which we ought to make in the payment of the money actually into the Treasury of the United States. That is a question which we should determine, and it will be determined. I am quite sure that with the development of power in this valley by the Tennessee Valley Authority as it is now developed, and to the extent it is now developed, steam plants are absolutely necessary.

Mr. CAIN. However, let me say most sincerely to the Senator from Tennessee that while we use Federal tax dollars to construct a steam plant, millions upon millions of acre-feet of water in the western regions of the country are being wasted. I can give one concrete example. I do not know what the answer is or ought to be.

Before the Appropriations Committee in recent weeks there were apparently two requests. One was for the New Johnsonville steam plant. I can understand the need for it. The other was a recommendation coming from the President to the House of Representatives that $1,500,000, as I remember, be appropriated to begin a particular project in the Pacific Northwest, known as the Ice Harbor project, a project which could have been constructed in 3½ years and would have produced more than 350,000 kilowatts.

It has been determined, wisely or otherwise, by the Appropriations Committee that as a policy we think it better for the economy and development of the country to encourage the establishment and construction of a steam plant before we continue and pursue to its logical conclusion the development of river-power potential in America.

Mr. McKELLAR. I am very glad to answer the Senator's question. I remember very distinctly the Ice Harbor proposal. It has been before our committee during the past week. The difficulty with that particular project is that it was represented to the committee that there is a controversy over the construction of fish ladders. That has caused a delay. So far as the proof on the project itself, which was presented to the committee, was concerned, it was exceedingly strong. It was well presented, and it made quite an impression.

There is one thing about the Civil Functions Subcommittee of the Appropriations Committee. It is like a special university course. It teaches even elderly men a great many things. I do not think I have ever seen or heard a better demonstration of that fact than in the hearings we held in our committee during the past 3 or 4 weeks.

As I have said, a good case has been made on that project, with one exception; and if there is any delay, in my judgment the delay will be over the matter of getting the right kind of fish ladders so as to protect the fish in the waters of that river.

Mr. CAIN. Is the Senator from Tennessee aware of the fact that the Bureau of the Budget has removed the restriction it had placed on the Ice Harbor proposal?

Mr. McKELLAR. No; we have not been advised of that. When was it done? Was it done today or yesterday?

Mr. CAIN. Within the last week, as I understand, the Director——

Mr. McKELLAR. I may say to the Senator from Washington that the committee will be delighted to hear him and to hear the representative of the Bureau of the Budget at any time the Senator wishes to present that matter to the committee. Indeed, I am advised by the clerk of the committee that the Ice Harbor project is on our committee's schedule for tomorrow morning, and I invite the Senator from Washington to come to the committee at that time.

Mr. CAIN. That concerns itself, obviously, with the fiscal year 1950.

Mr. McKELLAR. That is true.

Mr. CAIN. In thanking the Senator from Tennessee most sincerely for the time he has placed at my disposal, I should like to ask whether he believes that as a matter of principle in connection with the development of our country, regardless of the region in which the potential development may be, the Government of the United States will be well advised to complete its river hydroelectric developments for power before embarking upon the construction of a series of steam plants to be auxiliary to the hydroelectric developments or establishments?

Mr. McKELLAR. No; as a matter of policy, I disagree with the Senator about that, for the reason that it would cost the United States Government an enormous amount of money in the sale of the property it now owns, unless firm power were produced by means of auxiliary steam plants in all these developments.

Mr. President, let me say a word about another matter at this time. I understand that the House of Representatives will adjourn for several days, probably tomorrow or the next day. As I think every Member of the Senate knows, I have been here in the Chamber for 4 weeks waiting for an opportunity to have this bill passed. I have done so, not on account of the New Johnsonville dam, but on account of the bills the Government owes and is behind in paying. The New Johnsonville dam is a mere incident. We can act as to it at any time, perhaps; but it has served to delay the passage of the bill itself.

So, Mr. President, most respectfully and most earnestly, and in the friendliest possible way, I ask for prompt action on this bill. All Senators know that I have taken practically no time in the argument which has been presented here. Of course, I have answered questions, but I have done so in an attempt to expedite the handling of the bill. I appeal to all Members of the Senate, as one Senator to another, to let us vote on this bill and pass it or defeat it, as the Senate may determine.

Mr. BRIDGES. Mr. President, I wonder whether we can arrange to obtain a vote on my amendment at a certain time.

Mr. McKELLAR. I shall be delighted to vote on it immediately.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from New Hampshire.

Mr. FERGUSON. Mr. President, I realize the Senator from Tennessee would like to have the Senate vote now on the pending amendment, but I think I should say something about some of the facts which have been discussed during the debate this afternoon.

Mr. LUCAS. Mr. President, will the Senator yield, to permit me to make an announcement?

Mr. FERGUSON. I yield.

Mr. LUCAS. Let me say that I hope we can dispose of these two amendments tonight. I am sure that after the distinguished Senator from Michigan discusses his amendment, we shall be in a position to vote.

I think all phases of this bill have been very well developed and ably debated for the past 2 days. No Senator likes to remain in the Chamber in the evening any longer than is necessary, and certainly the Senator from Illinois does not like to remain here after 6 o'clock in the evening.

But in view of what the able Senator from Tennessee said a moment ago with respect to what the House of Representatives may do, it is barely possible that if we do not vote on these two amendments some time today or this evening the bill may be delayed for another 10 days, if the House of Representatives carries through the suggestion it has made that it will take a recess for that length of time. I believe it would be a very serious matter for the country as a whole if the pending deficiency appropriation bill failed of passage tomorrow. It should be passed promptly, so that employees may be paid and so that certain contractors thoughout the Nation, who depend upon the money we appropriate, may continue to carry on the projects they now are undertaking to execute for the Government.

So I hope we can move along toward the disposition of this bill with the least possible delay, and I hope we may obtain a vote on both amendments in the next several hours.

Mr. FERGUSON. The able junior Senator from Washington [Mr. CAIN] has asked some very pertinent questions. One was in relation to the development of water power in the valley, rather than the building of steam plants. It appears that there is at present in the

hydro plants of the TVA a generating capacity of 2,203,102 kilowatts. That figure is very significant, because the proposal now before the Senate is made on the basis of firming up that power by the development of 375,000 kilowatts from a new steam plant. That indicates the firm power which already exists in the valley. I think the figure for it is 1,758,202 kilowatts.

Mr. President, the 1,758,202 kilowatts will take care of all the Government's needs and all the needs of Government agencies in that area, for instance, at Muscle Shoals, at the atomic energy plant, and at other plants. So this is not a question of firming up.

The able Senator from Missouri [Mr. DONNELL] today raised the point that no doubt the United Statets Government could build a dam for flood control in an area where floods were a great problem. But the able Senator from Missouri and I part company when he suggests that if there is a certain location where flash floods, lasting for perhaps only 2 weeks in the year, occur, if a dam were built to utilize the water power available at the time of those flash floods, subsequently the Government could build a steam plant to firm up such water power for the entire year. So far as the situation we now are considering is concerned, I think such a suggestion is absurd.

The Ashwander case clearly holds that if the Government has property, it can sell it to the best advantage. But the property involved in the case the Senator from Missouri has mentioned is property arising from flash floods, and the Government should sell it as such. It is in that connection that the proponents of the pending proposal wish to firm up 2,203,102 kilowatts of hydroelectric power by the use of 375,000 kilowatts developed from a steam plant. If we adopt their suggestion and authorize the construction of the steam plant, what will happen in the future?

The question has been asked during the debate today, Will the step here proposed, if taken, subsequently result in the building of steam plants elsewhere in the United States? Mr. President, have not we heard that the other steam plants which have been built in the Tennessee Valley are being used today as stepping stones for the building of the proposed New Johnsonville steam plant? If the New Johnsonville steam plant is built, will not it be insisted that that plant has for its purpose the firming up, with 375,000 kilowatts, of approximately 2,000,000 kilowatts, and therefore there was justification and authority for building it?

Mr. President, it has also been argued that in the debate yesterday no mention was made of the fact that the Tennessee Valley project was developed for national defense. However, the title of the TVA Act was read yesterday, and the title includes the words "in the interest of the national defense," but I say to the Senate that in all fairness everyone must concede the fact to be that the Tennessee Valley projects were built for two purposes: One was flood control, the other navigation, under the commerce clause.

Oh, yes, we had the Muscle Shoals Dam, and that was for national defense. If I understand the argument made by the able Senator from Missouri on the question of national defense, there are aluminum companies in the Tennessee Valley, and therefore the Government having begun to serve power at a cheap rate, made possible by the fact that no income tax is paid, owes the duty and obligation to all the private industries which some day might be used for national defense, to build steam plants and furnish them with all the power they will ever need in the future because it began at one dam to give them some power, which did not turn out to be firm.

That is not the purpose of the New Johnsonville project. The first press release showed the purpose, and I shall read what Mr. Clapp said, as appears on page 37 of the House hearings. But first I shall show what happened.

The Tennessee Valley Authority was authorized to furnish electricity to municipalities and cooperatives on a priority basis. Electricity was also to be furnished for purposes of national defense. But it has been discovered, as the able Senator from Connecticut said, that by means of advertisements of chambers of commerce, firms moved from Connecticut to the Tennessee Valley, where they can buy cheaper power. There was written into the statute a priority for municipalities and cooperatives, but it is found that numerous industries are moving to the Tennessee Valley, the number of municipalities is increasing, the number of cooperatives is increasing, therefore it is desired that the supply of power be increased.

Mr. Clapp, at page 27 of the hearings, said:

> That function is to keep carrying whatever increased electric current—

I emphasize the word "increased"—

> is required to provide the service which the municipalities and the cooperatives have agreed to give in their areas, and which we, in turn, for the Government, have agreed to give, and arrange with them, the municipalities and cooperatives.

In other words, it is not desired for the purpose of firming up. It is desired as a source of supply for future demands. Was that the original contemplation? I think so. The facts show it. I read into the RECORD yesterday statements by Mr. Krug and Mr. Lilienthal, which I shall not repeat.

With respect to national defense, if the senior Senator from Missouri is correct in his interpretation of the Constitution, then I assert there is nothing so far as business in America is concerned that cannot be begun today in the name of the United States Government, to be carried on completely under the idea of national defense. A steam plant can be built in Detroit to furnish all the power needed by the city of Detroit, because Detroit is a great industrial city, and if war should start some day, the industries of Detroit would naturally be needed in the national defense. There is not a firm in America that could not be caused to manufacture plows, binders, combines, and everything else, on the theory that in the event of war America must be strong upon the farm and in the factory.

Mr. President, it is plain to see where pursuing the idea of national defense leads. No; preparation for the national defense is not the intention at all. The people may be taxed for the national defense and for the general welfare. The Government I think owns about one-eleventh of all the land in the country. Is it contended that factories could be built on all that land, by reason of the fact that it could thereafter be sold to better advantage? Would it be contended that because the United States Government owns 50 acres of land in the city of Detroit, an old fortification, it can today build an automobile plant on it and sell automobiles to private customers? That would be using the land to its best advantage, for in Detroit we have skill to manufacture automobiles. No; that was never intended. The Ashwander case does not support that view. The Ashwander case does nothing more than this: Assuming there is a dam, and there is no way by which power can be sold locally; therefore a power line can be built to transmit the electricity to places where it can be sold. Similarly, the idea is that if there is ore in the ground and the Government owns it, and also owns the ground, it can extract the ore. That is true. It could be marketed. But it does not necessarily follow that the raw material should be manufactured and sales made. I say if that is the rule, if it is to be insisted upon the floor of the Senate that the Government can become socialistic, with all industry and all property owned by the Government or the State, on the argument that it can all be used in the national defense, then we need no amendments to the Constitution; all we need do is to say we are going to make all kinds of machinery and equipment in the name of national defense and are going to sell it.

Mr. President, this project involves a commercial enterprise. Electricity is to be manufactured by steam power, and it is to be sold. A letter from the Atomic Energy Commission was read, stating that a portion of TVA power is to be used. If the Atomic Energy Commission came to the Senate today and said, "We need a steam plant at Oak Ridge," I doubt if one Senator would vote against giving it to them. Do Senators know how far Oak Ridge is from the site of the proposed New Johnsonville Dam? I think the figure is anywhere from 200 to 350 miles. Anyone familiar with the subject knows electricity is not transmitted 250 miles in order to furnish power to the Atomic Energy Commission. Think of it. Think of the United States Government, or the Atomic Energy Commission, wanting to build a plant by which to furnish power to Oak Ridge to manufacture atomic bombs, and transmitting that power approximately 200 miles.

Mr. President, if the power is needed for Oak Ridge, it would be constitutional to provide it to Oak Ridge, because that is a United States national defense plant, which was established for that specific

purpose. But we cannot stretch the idea of national defense to include everything, because, as I said before, everything we use could be produced under the guise of national defense, and, therefore, everything could be in the hands of the Federal Government, and it would be the only commercial firm in the United States. We cannot stretch it that far. We must do the things which are reasonable.

I come back to the question of the 2,000,000 kilowatts. The new Johnsonville steam plant would furnish only 375,000 kilowatts. It is not a firming-up proposition. There are rivers which have not been harnessed. The evidence, I think, would show clearly that if we should harness those rivers, more than 375,000 kilowatts could be furnished, in the out season, because of the length of the streams and the running of water from one dam into another dam. But that is not what is wanted. Industries are developing. Advertisements appear seeking industries from other places in America, as was argued by the able Senator from Connecticut [Mr. BALDWIN]. They want the power so they can sell it for dollars, as a commercial enterprise.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from New Hampshire [Mr. BRIDGES].

Mr. McKELLAR. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Hickenlooper	Mundt
Anderson	Hill	Murray
Baldwin	Hoey	Myers
Brewster	Holland	Neely
Bricker	Humphrey	O'Conor
Bridges	Hunt	O'Mahoney
Butler	Ives	Pepper
Byrd	Jenner	Robertson
Cain	Johnson, Colo.	Russell
Capehart	Johnson, Tex.	Saltonstall
Chapman	Johnston, S. C.	Schoeppel
Chavez	Kefauver	Smith, Maine
Connally	Kem	Sparkman
Cordon	Kerr	Stennis
Donnell	Kilgore	Taft
Douglas	Knowland	Taylor
Downey	Langer	Thomas, Okla.
Eastland	Lodge	Thomas, Utah
Ecton	Long	Thye
Ellender	Lucas	Tobey
Ferguson	McCarthy	Tydings
Flanders	McClellan	Vandenberg
Frear	McFarland	Watkins
Fulbright	McGrath	Wherry
George	McKellar	Wiley
Gillette	Magnuson	Williams
Green	Martin	Withers
Gurney	Maybank	Young
Hayden	Miller	
Hendrickson	Millikin	

The PRESIDING OFFICER. A quorum is present.

The question is on agreeing to the amendment offered by the Senator from New Hampshire [Mr. BRIDGES].

Mr. LANGER. I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. AIKEN. Mr. President, will not the Chair state the question?

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from New Hampshire [Mr. BRIDGES], which in effect would strike from the bill the funds recommended to be appropriated for the commencement of the New Johnsonville steam plant. The amendment will be stated.

The amendment was, in the item "Tennessee Valley Authority," on page 12, line 9, to strike out "$2,950,000" and to insert "$450,000," and on page 12, line 13, to strike out "$24,639,000" and to insert "$22,139,000."

The PRESIDING OFFICER. The yeas and nays having been ordered, the clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. BALDWIN (when his name was called). On this vote I have a pair with the senior Senator from Connecticut [Mr. MCMAHON], who is necessarily absent. If he were present and voting, he would vote "nay." If I were permitted to vote, I would vote "yea." I withhold my vote.

Mr. FREAR (when his name was called). On this vote I have a pair with the junior Senator from North Carolina [Mr. GRAHAM], who is absent because of illness. If present the Senator from North Carolina would vote "nay." If I were permitted to vote I would vote "yea." I withhold my vote.

Mr. TAFT (when his name was called). On this vote I have a pair with the junior Senator from Oregon [Mr. MORSE]. If he were present he would vote "nay." If I were permitted to vote I would vote "yea." I withhold my vote.

The roll call was concluded.

Mr. MYERS. I announce that the Senator from Nevada [Mr. MCCARRAN], who is absent by leave of the Senate on official business, is paired on this vote with the Senator from New York [Mr. WAGNER], who is necessarily absent. If present and voting, the Senator from Nevada would vote "yea" and the Senator from New York would vote "nay."

Mr. SALTONSTALL. I announce that the Senator from New Jersey [Mr. SMITH] is absent because of illness. If present and voting, the Senator from New Jersey would vote "yea."

The Senator from Oregon [Mr. MORSE] is absent on official business and his pair with the Senator from Ohio [Mr. TAFT] has been previously announced.

The Senator from Kansas [Mr. REED] is detained on official business. If present and voting, the Senator from Kansas [Mr. REED] would vote "yea."

The Senator from Nevada [Mr. MALONE] is detained on official business. If present and voting, the Senator from Nevada [Mr. MALONE] would vote "yea."

The result was announced—yeas 30, nays 55, as follows:

YEAS—30

Bricker	Ives	Neely
Bridges	Jenner	O'Conor
Byrd	Kem	Robertson
Capehart	Kilgore	Saltonstall
Ecton	Lodge	Schoeppel
Ferguson	McCarthy	Tobey
Flanders	Martin	Tydings
Gurney	Millikin	Vandenberg
Hendrickson	Mundt	Wiley
Hickenlooper	Myers	Williams

NAYS—55

Aiken	Chavez	Eastland
Anderson	Connally	Ellender
Brewster	Cordon	Fulbright
Butler	Donnell	George
Cain	Douglas	Gillette
Chapman	Downey	Green
Hayden	Long	Smith, Maine
Hill	Lucas	Sparkman
Hoey	McClellan	Stennis
Holland	McFarland	Taylor
Humphrey	McGrath	Thomas, Okla.
Hunt	McKellar	Thomas, Utah
Johnson, Colo.	Magnuson	Thye
Johnson, Tex.	Maybank	Watkins
Johnston, S. C.	Miller	Wherry
Kefauver	Murray	Withers
Kerr	O'Mahoney	Young
Knowland	Pepper	
Langer	Russell	

NOT VOTING—11

Baldwin	McMahon	Smith, N. J.
Frear	Malone	Taft
Graham	Morse	Wagner
McCarran	Reed	

So Mr. BRIDGES' amendment was rejected.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. FERGUSON. Mr. President, I shall not speak at length on my amendment. My reason for not doing so is that I have sent to each Member of the Senate a copy of the remarks I intended to make on this occasion. I submitted my amendment on March 18, 1949, and it was ordered to lie on the table and to be printed.

Mr. President, I ask unanimous consent to have printed at this point in my remarks a copy of the statement I have sent to all Senators, and which I had intended to make orally at this time.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

Mr. President, to a considerable extent the debate on the appropriation of $2,500,000 to undertake construction of a TVA steam plant at New Johnsonville, which is contained in H. R. 2632, has revolved about a constitutional question.

That question is whether or not the United States has constitutional authority to construct a steam generating plant to produce electrical energy for commercial sale to the public.

Anticipating that question, and being of the opinion that the Congress should not take it upon itself to make a final determination of this issue I filed notice with the Senate on March 19, under rule 40 of the Standing Rules of the Senate, that I intended to move a suspension of paragraph 4 of rule 16 for the purpose of proposing an amendment to H. R. 2632. The purpose of the amendment is to vest a substantive right in a Federal taxpayer in order that he might bring an action to test the constitutionality of this appropriation to authorize the vindication of the public interest by a designated group. Suspension of the rules is necessary because the proposal is admittedly legislation attached to an appropriation measure.

The proposed amendment to H. R. 2632 reads:

"Any Federal taxpayer or any consumer of electric energy, neither of whom is supplied with electric energy produced by the Tennessee Valley Authority, may, and is hereby authorized to, institute and maintain an action against the Tennessee Valley Authority in the United States District Court for the District of Columbia to enjoin the expenditure of any funds herein appropriated for the construction of any steam electric generating plant by the Tennessee Valley Authority and to enjoin the construction of said plant or plants as being contrary to law: *Provided*, That such an action shall not be maintained unless the complaint is filed within 3 months from the date when the act making the appropriation becomes effective. Service may be made under the Tennessee Valley Authority by delivering a copy of the summons and

of the complaint to any officer or agent of the Tennessee Valley Authority at the office of said Authority in the District of Columbia or by sending a copy of the summons and of the complaint by registered mail to the Tennessee Valley Authority at Knoxville, Tenn. The provisions of sections 1253, 2101, 2282, and 2284 of new title 28, Judiciary and Judicial Procedure, shall be applicable to such an action.

"2. It is the intention of this provision to vest in such Federal taxpayers and consumers of electric energy the private substantive right to be protected against unlawful expenditures of Federal funds and the unlawful construction of steam plants by the TVA, and to permit the action herein authorized by the protection of the public and the protection of such private substantive right."

It is my position in proposing this amendment that a vital constitutional question is involved in the appropriation for the New Johnsonville steam plant and one which should have a proper determination by the Supreme Court of the United States, which is the only constituted authority that can rightly make a final determination on the constitutionality of any legislative action taken by the Congress.

The amendment authorizes an expeditious means of allowing the court, through intervention of a Federal taxpayer or consumer of electric energy—by means of a test case, to prevent a possibly unlawful action of a Federal agency and the possibly unlawful expenditure of Federal funds.

Unless it is adopted, if the appropriation is approved, those who believe there is a grave question of constitutionality in the construction of a steam-generating plant by the TVA will never have their day in court—a right that has been inherent in Anglo-Saxon common law since the days of the Magna Carta.

This is true because it is a fact, little understood I am sure, that suits of taxpayers in instances of this nature are impossible without specific authorization by the Congress.

Before a taxpayer may question the power of Congress to make an expenditure for any purpose, he is met with the difficulty of finding a means to test its legality. In the leading cases on this subject, *Commonwealth of Massachusetts* v. *Mellon* and *Frothingham* v. *Mellon*, the Supreme Court has held that neither a State nor a Federal taxpayer may invoke judicial determination as to whether or not Federal funds are being expended for an unconstitutional purpose.

In *Frothingham* v. *Mellon* the plaintiff challenged the constitutionality of the Federal Maternity Act of 1921. This act provided for appropriations to be apportioned among the sections of several States, which accepted and complied with its provisions, for the purpose of cooperating with them to reduce maternal and infant mortality and protect the health of mothers and infants. The Court denied the right of the plaintiff to maintain the suit, holding that the interest of the Federal taxpayer in the money in the Treasury was to minute and indeterminable, and the effect of the particular expenditure on future taxation was too remote and uncertain to afford a basis for an attack upon the statute.

In the case of *Massachusetts* v. *Mellon*, the Court also denied the right of a State as parens patiae to maintain a suit to attack a statute as unconstitutional.

In *Tennessee Electric Power Co.* v. *TVA* (306 U. S. 118), the Court expressly declined to pass upon the constitutional or statutory validity of any structure or activity of TVA upon the ground that the complainant utilities, even though faced with the destruction of their businesses or sale to TVA at its own price, had no standing in our courts to invoke a judicial determination of whether their destruction was being encompassed by methods permitted by the Constitution or even by the TVA Act.

As Justice Sutherland said in the Frothingham case:

"The functions of Government under our system are apportioned. To the legislative department has been committed the duty of making law; to the executive the duty of executing them; and to the judiciary the duty of interpreting them and applying them in cases properly brought before the courts. The general rule is that neither department may invade the province of the other and neither may control, direct, or restrain the action of the other. We are not now speaking of the merely ministerial duties of officials. *Gaines* v. *Thompson* (7 Wall 347.) We have no power per se to review and annul acts of Congress on the ground that they are unconstitutional. That question may be considered only when the justification for some direct injury suffered or threatened, presenting a justiciable issue, is made to rest upon such act. Then the power exercised is that of ascertaining and declaring the law applicable to the controversy. It amounts to little more than the negative power to disregard an unconstitutional enactment, which otherwise would stand in the way of an enforcement of a legal right. The party who invokes the power must be able to show not only that the statute is invalid but that he has sustained or is immediately in danger of sustaining some direct injury as the result of its enforcement, and not merely that he suffers in some indefinite way in common with people generally. If a case for preventive relief be presented the court enjoins in effect, not the execution of the statute, but the acts of the officials, the statute notwithstanding. Here the parties plaintiff have no such case. Looking through forms of words to the substance of their complaint, it is merely that officials of the executive department of the Government are executing and will execute an act of Congress, asserted to be unconstitutional, and this we are asked to prevent. To do so would be not to decide a judicial controversy, but to assume a position of authority over the governmental acts of another and co-equal department, an authority which plainly we do not possess."

In short, there is today a vast and ever-increasing field of Federal activities, with respect to which no State and no citizen can invoke a judicial determination of whether the Federal Government has exceeded constitutional limitations or whether its officers or agencies have exceeded constitutional limitations or the scope of their authority. In final analysis this means that Congress has become the sole defense of our constitutional system in this shaded but highly critical area.

To be sure, a citizen may maintain an action to enjoin the invasion, either by unconstitutional action of a Federal officer or by unconstitutional Federal statute, of a private substantive right which is recognized in common law or which has been created by statute.

Moreover, in order to protect the public interest, Congress may also constitutionally authorize private citizens to maintain actions to determine whether any actual or threatened Federal action is within the authority of some constitutional statute, even though the citizen is asserting only the public interest and otherwise possesses no private substantive right which is being invaded or threatened through the allegedly unconstitutional action or statute.

For an exhaustive discussion of the theory of cases on this subject, see *Associated Industries* v. *Ickes* (134 Fed. 2d 694). In that case the Court said:

"Instead of designating the Attorney General, or some other public officer, to bring such proceedings, Congress can constitutionally enact a statute conferring on any nonofficial person, or on a designated group of nonofficial persons, authority to bring a suit to prevent action by an officer in violation of his statutory powers; for then, in like manner, there is an actual controversy, and there is nothing constitutionally prohibiting Congress from empowering any person, official or not, to institute proceeding involving such a controversy, even if the sole purpose is to vindicate the public interest. Such persons, so authorized, are, so to speak, private attorney generals."

It is contended that the appropriation for the New Johnsonville steam plant falls in the area where no private citizen can test the constitutionality of any action taken by the Congress, in the absence of expressed congressional authorization. The proposed amendment is brought before the Senate in order that Congress may make such an express authorization, and the language is explicit for that purpose: "It is the intention of this provision to vest in such Federal taxpayers and consumers of electric energy the private substantive right to be protected against the unlawful expenditure of Federal funds in the unlawful construction of steam plants by the TVA and to permit the action herein authorized for the protection of the public and for the protection of such private substantive right."

I submit that for the Congress to close the door to the ordinary channels of the judicial process, which would be the certain consequence if this amendment is not adopted, would mean that the Congress has arrogated to itself the prerogatives and functions of the judicial branch of the Government—and on a question of fundamental implications for the future of our economy.

Such a course, I firmly believe, is unwarranted and should not be tolerated.

The constitutional question about which I am concerned has, as I have said, been the subject of considerable exploration in the course of debate on the steam plant appropriation. It has previously been aired before the Senate and House Appropriations Committees.

The House committee last year, after hearing the constitutional arguments, refused the appropriation and supported its objections "on the serious question of whether the TVA has a constitutional right to engage commercially in the development and sale of power." The quotation is from the House Appropriations Committee report on the Government corporations appropriation bill for 1949.

Before the Appropriations Committees and on the floor of the Senate in the course of this debate it has been contended that the authority of the TVA in this kind of case was determined and the appropriation would be constitutional. The authority relied upon is the case of *Ashwander et al.* v. *Tennessee Valley Authority* (297 U. S. 288).

I submitted to the Senate yesterday that the question was not involved in the Ashwander case, and I read not only from the decision of the court but from the record of the case and statements of counsel. With the indulgence of the Senate I should like to read those statements into the RECORD again.

In the argument of the Ashwander case, the following colloquy occurred between the justices and Mr. John Lord O'Brian, who was chief counsel for TVA in the Ashwander case and later in the TEP Co. against TVA:

"Mr. Justice MCREYNOLDS. Is there a steam plant in connection with this project?

"Mr. O'BRIAN. Yes, Your Honor. That was mentioned earlier. There is a large steam plant which was built at Muscle Shoals before the dam was built.

"Mr. Justice MCREYNOLDS. For what purpose?

"Mr. O'BRIAN. For the purpose of equipping the war-munitions plant immediately, as quickly as possible, with power.

"Mr. Justice MCREYNOLDS. Is that used to generate electricity?

"Mr. O'BRIAN. No, sir; it has never been used. It stands idle. Much is made in my opponents' briefs of the danger of the Government's selling power from the steam plant. That steam plant is not in this case. It has never been used. It has been maintained. It has been leased to the Alabama Power Co., which has used it as a stand-by facility with which to meet break-downs in its service. There is nothing in this record to show that the Authority ever intends to use it for the purpose of generating power for sale, and I disavow any such intention at this time.

"Mr. Justice BUTLER. I know; but you assert the power, do you not?

"Mr. O'BRIAN. No; I do not.

"Mr. Justice BUTLER. Do you say that, to aid in disposing of the electricity incidentally produced from this navigation dam, the Congress has no power under the Constitution to build stand-by plants to supply their customers, to keep the current going?"

"Mr. O'BRIAN. If you mean break-down facilities, yes; it could. It would have to. Any regulated system would have that.

"Mr. Justice BUTLER. And then to meet great demands upon the peak?

"Mr. O'BRIAN. No; I do not think that can be done in this case."

Likewise, in the argument in the Ashwander case, Mr. Justice Reed, then Solicitor General, also said:

"From the bench and at the bar this controversy has come down to a question of this kind, if we assume that this act was primarily for navigation, then it would be valid. If we determine that this act, while stating that it is for the navigation, national defense, and flood control, is actually for the purpose of developing power and selling it commercially, the act would be invalid."

The statement of Chief Justice Hughes in the opinion on the Ashwander case was, at least in part, undoubtedly in response to the foregoing statements of TVA counsel, one of which expressly disclaimed any constitutional authority to construct steam plants (other than to supply energy for Federal use) either under the commerce power or any other delegated power.

That the Court was conscious of the question presented to it and the denial of the constitutionality of the act, I quote from the opinion of Chief Jusice Hughes (297 U. S. 339):

"We limit our decision to the case before us, as we have defined it. The argument is earnestly presented that the Government by virtue of its ownership of the dam and power plant could not establish a steel mill and make and sell steel products, or a factory to manufacture clothing or shoes for the public, and thus attempt to make its ownership of energy, generated at its dam, a means of carrying on competitive commercial enterprises and thus drawing to the Federal Government the conduct and management of business having no relation to the purposes for which the Federal Government was established. The picture is eloquently drawn but we deem it to be irrelevant to the issue here. The Government is not using the water power at the Wilson Dam to establish any industry or business. It is not using the energy generated at the dam to manufacture commodities of any sort for the public. The Government is disposing of the energy itself which simply is the mechanical energy, incidental to falling water at the dam, converted into the electric energy which is susceptible of transmission. The question here is simply as to the acquisition of the transmission lines as a facility for the disposal of that energy. And the Government rightly conceded at the bar, in substance, that it was without constitutional authority to acquire or dispose of such energy except as it comes into being in the operation of works constructed in the exercise of some power delegated to the United States. As we have said, these transmission lines lead directly from the dam, which has been lawfully constructed, and the question of the constitutional right of the Government to acquire or operate local or urban distribution systems is not involved. We express no opinion as to the validity of such an effort, as to the status of any other dam or power development in the Tennessee Valley, whether connected with or apart from the Wilson Dam, or as to the validity of the Tennessee Valley Authority Act or of the claims made in the pronouncements and program of the Authority apart from the questions we have discussed in relation to the particular provisions of the contract of January 4, 1934, affecting the Alabama Power Co."

It should be clear that in my personal opinion the appropriation is purely unconstitutional and that Congress should not purport to authorize it. I recognize that in that opinion I differ with some constitutional authorities, among them members of the Senate whose opinion on such matters I respect highly.

Any such personal differences of opinion are wholly incidental, however. The point is that at best the issue is moot at the present time and that fact only serves to stress the vital importance of a proper and conclusive test on the issue.

I am pleased to say that some of the constitutional authorities with whom I happen to differ on the question have joined in this amendment to permit a judicial determination that the issue might have its "day in court." The amendment which I am offering was defeated by a single vote in the Senate Appropriations Committee and was supported there by some who not only believe in and support the appropriation for the steam plant but in their own minds are satisfied as to its constitutionality.

They nevertheless feel that the American people will want and properly deserve the right to a final decision on this matter by the only authority in the land capable of making the decision—the Supreme Court of the United States.

I want to stress that a vote for the amendment which I am offering is not a vote against the steam-plant appropriation nor is it a vote which expresses any opinion as to the constitutionality of the appropriation.

An affirmative vote will merely express a belief in the ancient "day in court" right of the citizen and taxpayer. In no other manner than by the affirmative vote of Congress can that right be exercised or this issue of constitutionality be laid to rest.

I am aware of the argument that adoption of this amendment might occasion delay in the construction of this steam plant. This I regard as an argument of expediency, an argument that assumes it is more important to build a plant in peacetime, regardless of its legality, than it is to open the doors of the Federal courts to citizens who may with cause consider themselves to be aggrieved.

Anticipating this objection, however, and fearful myself of delay in reaching a final decision, two provisions have been included in the amendment which will assure an early and conclusive determination of this constitutional question. It is provided first that any contest, as permitted, must be brought within 3 months of the date upon which the appropriation becomes effective. It is provided further, in the reference to section 2282 of new title 28, Judiciary and Judicial Procedure, that the test action may be brought before a three-judge district court in the District of Columbia, whose decision may be appealed directly to the Supreme Court of the United States without reference to the circuit court of appeals.

Mr. FERGUSON. Mr. President, the Senate has just acted, by a vote of 55 to 30, to allow the appropriation for the New Johnsonville steam plant to remain in the appropriation bill. There is in the opinion of the Senator from Michigan very serious doubt as to the constitutionality of that provision. But under the law as it now is, it is impossible ever to test its constitutionality. My amendment would allow the courts of the United States to pass upon the constitutionality of this important question.

Mr. President, there are two cases, that of Commonwealth of Massachusetts against Mellon and that of Frothingham against Mellon, which are referred to in the memorandum sent by me to Senators. Those cases clearly indicate that the amount of money a taxpayer may pay into a project of this sort is so small that the court would not recognize it as cause for controversy, and therefore would not allow a suit, nor would the court allow a suit to be brought by a taxpayer or even by a State on the ground that they were representing the public.

Mr. President, there is authority for the fact that if the Congress creates a substantive right in the party who wishes to bring suit, action may be brought in order that the constitutionality of a measure of this kind may be tested. The authority, and the one which contains an exhaustive discussion of the subject, is the case of *Associated Industries* v. *Ickes* (134 Fed. (2d) 694).

An attempt is made by my amendment to have an early hearing to test the constitutionality of the proposed legislation. There is no intent on my part to delay the matter. The amendment would allow a trial by three district judges and would provide for an appeal directly from the district court to the United States Supreme Court so an early hearing could be had. In fact, the amendment provides for a statute of limitations under which the cause of action must be brought within 3 months. Every possible provision has been placed in the amendment so as to guarantee a speedy trial of the issue involved.

Mr. President, I say to all the Members of the Senate, and I say it with all the earnestness at my command, that I believe the amendment should be adopted. There could be nothing fairer to the people of the United States of America than to have a test of the validity of this proposed undertaking.

Mr. President, on the basis of the step we are taking today more steps of the same kind will be taken in America, and if we cannot test the constitutionality of this project then we will never be able to test any similar project which may be undertaken in the future. I think it is well for the Senate and for the Members of the House to know and to let the people back home know whether the proposed action can be taken under the Constitution of the United States. I plead with those who believe the provision for this steam plant is constitutional at least to give credit to those who believe it is not constitutional, and that we may

have a vote upon this important matter. For if we take the step, and the people of the United States can never know by a court opinion whether or not it is constitutional, then greater steps of a similar nature toward socialization of industry and the destruction of free enterprise in America can be taken, and there will be no remedy for the people back home.

So I plead with Senators at least to adopt my amendment so that it may be determined whether under the Constitution we can or cannot do what is now proposed to be done.

Mr. DONNELL. Mr. President, will the Senator yield?

Mr. FERGUSON. I am glad to yield.

Mr. DONNELL. Does the Senator agree that it is in some cases impossible for Congress to create jurisdiction in the courts?

Mr. FERGUSON. Yes. I think we cannot confer upon the courts anything that is not justiciable, and we cannot confer upon the courts anything that is not a controversy nor a case.

Mr. DONNELL. Mr. President, will the Senator yield for a further inquiry?

Mr. FERGUSON. Yes, I am glad to yield.

Mr. DONNELL. I take it, that the basis of the Senator's opinion is Section 2 of article 3, which reads in part:

The judicial power shall extend to all cases—

And so forth. And then the language—

to controversies to which the United States shall be a party.

Mr. FERGUSON. That is correct.

Mr. DONNELL. Mr. President, will the Senator yield for a further question?

Mr. FERGUSON. I am glad to yield.

Mr. DONNELL. Does the Senator agree therefore that unless there should be created a controversy by the proposed act of Congress contemplated by the adoption of the Senator's amendment, no jurisdiction would be conferred on the courts?

Mr. FERGUSON. That is correct.

Mr. DONNELL. Mr. President, will the Senator yield further?

Mr. FERGUSON. I am glad to yield.

Mr. DONNELL. Does the Senator agree with the observation in the case of Associated Industries against Ickes, to which the Senator referred, which I believe is the leading authority:

There is the related rule that Congress cannot constitutionally enact a statute authorizing a suit to be brought to test out the abstract question of the constitutionality of the suit where there is no actual justiciable controversy.

Mr. FERGUSON. I agree that that is the law as it now stands. But I say that the purpose of the amendment is to create, as was done under that case, a right in a particular group of people to represent the public interest, and as was said in that case, it means that the party who brought the suit would in effect be a private attorney general of the United States in the bringing of such an action. If the amendment shall be adopted all will have been done that can be done by Congress to create a controversy and a substantive right in the individual who may bring the case.

Mr. DONNELL. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. DONNELL. Does the Senator agree with this further observation of the United States Circuit Court of Appeals for the Second Circuit that—

While Congress can constitutionally authorize no one, in the absence of an actual justiciable controversy, to bring a suit for the judicial determination either of the constitutionality of a statute or the scope of powers conferred by a statute upon Government officers, it can constitutionally authorize one of its own officials, such as the Attorney General, to bring a proceeding to prevent another official from acting in violation of his statutory powers.

Mr. FERGUSON. Yes; and the purpose of the amendment is to create in the party mentioned in the opening paragraph the right to take the action which the Attorney General could take. It makes a controversy, and creates a substantive right in the individual who would bring the case.

Mr. DONNELL. Does the Senator take the view that the amendment which he proposes, which authorizes any Federal taxpayer or any consumer of electrical energy to institute the suit, would in effect constitute a Federal taxpayer or any consumer of electrical energy a special Attorney General of the United States?

Mr. FERGUSON. Yes. It is in that group that the right is given.

Mr. DONNELL. Is it on the theory that the amendment would create the right, without the obligation on the part of the taxpayer or the consumer of electrical energy to take any official oath as Attorney General or as Assistant Attorney General, in any Federal taxpayer or any consumer of electrical energy to act as a deputy Attorney General?

Mr. FERGUSON. That is correct. No oath would be necessary. He would be representing the public in this matter, and there would be a controversy within the meaning of the Constitution.

Mr. DONNELL. Mr. President, will the Senator yield for a final inquiry?

Mr. FERGUSON. I yield.

Mr. DONNELL. Does the Senator agree with this observation of the court in Associated Industries against Ickes:

In a suit in a Federal court by a citizen against a Government officer, complaining of alleged past or threatened future unlawful conduct by the defendant, there is no justiciable controversy, without which, under article III, section 2 of the Constitution, the court has no jurisdiction, unless the citizen shows that such conduct or threatened conduct invades or will invade a private substantive legally protected interest of the plaintiff citizen; such invaded interest must be either of a recognized character at common law or a substantive private legally protected interest created by statute.

Mr. FERGUSON. I agree with that, because this amendment would create such a right under this statute.

Mr. DONNELL. May I ask the Senator whether there is any doubt in his mind as to the validity of the amendment he proposes?

Mr. FERGUSON. There is no doubt, under the decisions of the courts, that this would be a constitutional act. I must say, as we all say, that when we argue the constitutionality of a law we must remember what Thomas Jefferson once said, that the Constitution is a thing of wax in the hands of the Supreme Court of the United States.

Mr. TOBEY. Mr. President, will the Senator yield

Mr. FERGUSON. I yield.

Mr. TOBEY. We must also remember the admonition of Mr. Chief Justice Hughes, that the Constitution is what the Court says it is.

Mr. FERGUSON. That amounts to the same thing.

Mr. TOBEY. In modern language.

Mr. HILL. Mr. President, I shall not delay the Senate long. I wish to place in the RECORD at this point a statement which I have prepared, and take one minute to make the point I am about to make.

The amendment offered by the Senator from Michigan—and, by the way, before I make my statement I make a point of order against the amendment as legislation on an appropriation bill, if that be necessary.

The PRESIDING OFFICER. The amendment has not yet been offered.

Mr. FERGUSON. Mr. President, I offer the amendment.

Mr. HILL. Mr. President, I make the point of order that the amendment is legislation on an appropriation bill and not in order except, of course, through a suspension of the rules.

Mr. FERGUSON. I move that the rule be suspended——

The PRESIDING OFFICER. Let the Chair rule first on the point of order. The point of order is well taken. It is in violation of clause 4 of rule XVI, which prohibits general legislation on an appropriation bill.

Mr. FERGUSON. Mr. President, notice was filed in conformity with the rule, and in anticipation of what the Chair might rule in this case. Therefore I move the suspension of the rule.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. WHERRY. Was a motion filed in compliance with rule XL?

Mr. FERGUSON. That is correct.

The PRESIDING OFFICER. The Chair is informed that the motion was duly filed.

Mr. HILL. Mr. President, the amendment offered by the Senator from Michigan is itself unconstitutional, as an attempt to confer on the Federal courts jurisdiction to render an advisory opinion in the absence of a genuine case or controversy within the meaning of article III, section 2, clause 1, of the Constitution, which prescribes the powers and jurisdiction of the Supreme Court and the lower courts.

It has long been settled that the Constitution gives the Federal courts jurisdiction only over cases and controversies between genuinely adverse litigants, and that any attempt by Congress to enlarge the limits of Federal jurisdiction by authorizing the Federal courts to render mere advisory opinions as to the constitutionality of certain legislation will itself be declared unconstitutional. The leading case on this subject is the case

of *Muskrat* v. *United States* (to be found in 219 U. S., at p. 346).

An act was passed by the Congress and held by the Supreme Court to be unconstitutional because the act purported to authorize certain individuals to test in the courts the constitutionality of an act enlarging the classes of Indians who might benefit from certain lands and funds held by the United States.

It is also settled that a Federal taxpayer does not have sufficient interest in public funds to enable him to challenge the constitutionality of an appropriation act on the ground that the money is to be devoted to non-Federal uses. That was decided in *Massachusetts* v. *Mellon* (262 U. S. 447). This is precisely what the Ferguson amendment attempts to do.

Even substantial private interest will not per se give rise to a case or controversy. It must also appear that the interest invaded is some recognized legal right. Economic injury may, for example, be damnum absque injuria, affording no basis for a case or controversy. To this effect are *Alabama Power Company* v. *Ickes*, 302 U. S. 464, and a number of other cases.

The case cited by the Senator from Michigan, *Associated Industries* v. *Ickes*, and other cases cited in that case, are different from the case presented by the amendment offered by the Senator from Michigan, in this respect: Those cases deal with the right of an individual to appeal from a decision of an administrative agency in the Government, an agency such as the Federal Communications Commission or the Securities and Exchange Commission, an agency which exercises quasi-judicial power, so to speak, holds hearings, examines witnesses, takes testimony, and then renders a decision. The Supreme Court has held that in such a case the individual has a right to appeal from the decision of the agency, but not a right to appeal from a decision of the Congress of the United States. We are acting here not as some agency down at the other end of the Avenue, not as the Federal Communications Commission or the Securities and Exchange Commission. We are acting tonight as the Senate of the United States.

When we act, there is no case, there is no controversy under the Constitution of the United States; and under such a situation, the Supreme Court of the United States will not attempt to review our action.

As I have said, the cases cited constitute no authority for the Ferguson amendment. All of them involve the question of an appeal from an order of an adminstrative agency on the ground that the order exceeds the powers granted by statute of such agency. There is an obvious public concern in seeing to it that more administrative boards and commissions, to whom Congress has delegated extensive authority to regulate and control, keep strictly within the confines of legislation empowering them to act. To insure that this is done, the courts have jurisdiction to review such orders for the sole purpose of determining whether errors of law have been committed in the promulgation or enforcement of the challenged order.

Mr. President, I could well take the time of the Senate to read all of the Muskrat case, but I shall not do so. That case is entirely in point on the amendment of the Senator from Michigan; and it shows clearly, in the last few words, that—

> It never was the thought that, by means of a friendly suit, a party beaten in the legislature could transfer to the courts an inquiry as to the constitutionality of the legislative act.

In the case the Court further said:

> It is therefore evident—

Remember, Mr. President, that the decision in that case relates to an act by which the Congress said to the persons attempting to institute litigation that they should go into court and should question the constitutionality of the act—

> that there is neither more nor less in this procedure than an attempt to provide for a judicial determination, final in this court, of the constitutional validity of an act of Congress. Is such a determination within the judicial power conferred by the Constitution, as the same has been interpreted and defined in the authoritative decisions to which we have referred?

In the case the Court refers to many decisions, from the time of John Marshall down.

The Court answers that question by saying:

> We think it is not. That judicial power, as we have seen, is the right to determine actual controversies arising between adverse litigants, duly instituted in courts of proper jurisdiction. The right to declare a law unconstitutional arises because an act of Congress relied upon by one or the other of such parties in determining their rights is in conflict with the fundamental law. The exercise of this, the most important and delicate duty of this Court, is not given to it as a body with revisory power over the action of Congress, but because the rights of the litigants in justiciable controversies require the Court to choose between the fundamental law and a law purporting to be enacted within constitutional authority, but in fact beyond the power delegated to the legislative branch of the Government. This attempt to obtain a judicial declaration of the validity of the act of Congress is not presented in a case or controversy, to which, under the Constitution of the United States, the judicial power alone extends.

Therefore, Mr. President, the Court went on to say that it declined even to consider that case, saying that under the Constitution it had no power to do so.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD a statement in this connection.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

The Ferguson amendment would be unconstitutional as an attempt to confer on the Federal courts jurisdiction to render an advisory opinion in the absence of a genuine case or controversy within the meaning of article III, section 2, clause 1 of the Constitution.

It has long been settled that the Constitution gives the Federal courts jurisdiction only over cases and controversies between genuinely adverse litigants and that any attempt by Congress to enlarge the limits of Federal jurisdiction by authorizing the Federal courts to render mere advisory opinions as to the constitutionality of certain legislation will itself be declared unconstitutional. Thus, in *Muskrat* v. *United States* (219 U. S. 346 (1911)), an act was held unconstitutional which purported to authorize named individuals to test in the courts the constitutionality of an act enlarging the classes of Indians who might beenfit from certain lands and funds held by the United States. It is also settled that a Federal taxpayer does not have sufficient interest in public funds to enable him to challenge the constitutionality of an appropriation act on the ground that the money is to be devoted to non-Federal uses. *Massachusetts* v. *Mellon* (262 U. S. 447 (1923)). This is precisely what the Fergusan amendment contemplates. Even substantial private interest will not per se give rise to a case or controversy; it must also appear that the interest invaded is some recognized legal right. Economic injury, may, for exampie, be damnum absequе injuria, affording no basis for a case or controversy. *Alabama Power Co.* v. *Ickes* (302 U. S. 464 (1937)); *Tennessee Electric Power Co.* v. *Tennessee Valley Authority* (306 U. S. 118 (1939)); *City of Atlanta* v. *Ickes* (308 U. S. 517 (1939)); *Singer & Sons* v. *Union Pacigc R. R. Co.* (311 U. S. 295 1940)).

The foregoing cases appear to be conclusive authority on the present question. Nevertheless, the Senator from Michigan seems to think his proposal would be within the power of Congress on the authority of the following cases: *FCC* v. *Sanders* (309 U. S. C. 470 (1940)); *Scripps-Howard Radio Inc.* v. *FCC* (316 U. S. 4 (1942)); *FCC* v. *NBC* (319 U. S. 239 (1943)); *American Power Company* v. *SEC* (325 U. S. 385 (1945)); *U. S.* v. *Public Utilities Commission* (151 F. (2d) 609 (C. A. D. C., 1945) certiorari denied, 331 U. S. 816 (1947)); *Associated Industries* v. *Ickes* (134 F. (2d) 694 (C. C. A. 2d, 143) reversed on ground that question had become moot (302 U. S. 707 (1943)).

The first three of the above cases construed section 402 (b) (2) of the Communications Act of 1934, which provides that any person aggrieved or whose interests are adversely affected by an order of the FCC may appeal to the courts. The last three cases cited involved appeals from administrative orders under similar provisions of other statutes.

The cases cited constitute no authority for the Ferguson amendment. They all involve the question of standing to appeal from an order of an administrative agency on the ground that the order exceeds the powers granted to such agency by statute. There is an obvious public concern in seeing to it that mere administrative boards and commissions, to whom Congress has delegated extensive authority to regulate and control, keep strictly within the confines of legislation empowering them to act. To insure that this is done, the courts have jurisdiction to review such orders for the sole purpose of determining whether errors of law have been committed in the promulgation or enforcement of the challenged order.

In this limited field of judicial review of the actions of administrative agencies, the Supreme Court considered that the constitutional requirement of the existence of a case or controversy is met because the plaintiffs were suing to vindicate the public interest by appeal to the courts, and even though the alleged private injury could not supply a foundation for a case or controversy, the public injury provided such a foundation.

The reason for relaxing the rule in this particular situation is obvious. To apply the strict rule in such cases would often result in denying to persons whose private interests

are adversely affected, or perhaps destroyed, by the decision of an administrative agency, the right to seek judicial scrutiny of the legality of such action. Power granted to administrative officials has traditionally been too jealously guarded to permit such a result. In the Ferguson amendment, however, we have a different situation. Here it is proposed to authorize the challenging, not of an administrative order, but of an Act of Congress itself, although under the decision of the Supreme Court in *Tennessee Electric Power Co.* v. *Tennessee Valley Authority,* supra, no case or controversy would exist. This is precisely what the Muskrat and Melion cases prevent. The cases referred to by the Senator from Michigan did not overrule the Muskrat and Melion cases, and the numerous other cases to the same effect. They did not eliminate the requirement that a case or controversy must exist in order to provide standing to sue in the Federal courts. They are merely an adaptation of the case or controversy rule to a special situation.

Quite apart from the fact that the reason for the rule adopted in the cases cited by the Senator from Michigan is totally lacking in the present situation, it is evident that no authority for such a proposal exists. On the contrary, the precise issue was decided adversely in *Tennessee Electric Power Co.* v. *Tennessee Valley Authority,* supra, where it was held that in order to challenge the validity of the TVA Act, the plaintiffs must show the invasion of some legally protected right. Supreme Court cases decided subsequently to the cases cited in support of the Ferguson amendment indicate that the rule of the Tennessee Electric Power Co. case has lost none of its force. *Perkins* v. *Lukens Steel Co.* (310 U. S. 113 (1940)); *Stark* v. *Wickard* (321 U. S. 288 (1944)).

There is a second and independent ground on which the Ferguson amendment runs afoul the cases on the constitutional requirements for standing to sue in the Federal courts. In each of the cases cited by the Senator from Michigan, the Supreme Court insisted upon a showing of substantial injury to private interest in order to entitle the appellant to raise the question of public interest. The Supreme Court has already decided, however, that as a matter of law a Federal taxpayer has no substantial interest in public funds. *Massachusetts* v. *Mellon,* supra, and the interest of electric consumers outside the valley in the constitutionality of the Johnsonville steam plant is certainly no greater. The interest of the unsuccessful plaintiffs in the Tennessee Electric Power Co. case was clearly greater than that of a mere taxpayer or electric consumer. It is therefore doubly clear that the Ferguson amendment attempts to invest the courts with jurisdiction to render purely advisory opinions in proceedings having none of the attributes of case or controversy. Such an attempt the Constitution clearly prohibits (*Muskrat* v. *United States,* supra).

Mr. FERGUSON. First of all, Mr. President, I ask consent to have my amendment printed in the RECORD at this point.

There being no objection, the amendment intended to be proposed by Mr. FERGUSON was ordered to be printed in the RECORD, as follows:

After the paragraph under the caption "Tennessee Valley Authority" insert the following:

"Any Federal taxpayer or any consumer of electric energy, neither of whom is supplied with electric energy produced by the Tennessee Valley Authority, may, and is hereby authorized to, institute and maintain an action against the Tennessee Valley Authority in the United States District Court for the District of Columbia to enjoin the expenditure of any funds herein appropriated for the construction of any steam electric generating plant by the Tennessee Valley Authority and to enjoin the construction of said plant or plants as being contrary to law: *Provided,* That such an action shall not be maintained unless the complaint is filed within 3 months from the date when the act making the appropriation becomes effective. Service may be made upon the Tennessee Valley Authority by delivering a copy of the summons and of the complaint to any officer or agent of the Tennessee Valley Authority at the office of said Authority in the District of Columbia or by sending a copy of the summons and of the complaint by registered mail to the Tennessee Valley Authority at Knoxville, Tenn. The provisions of sections 1253, 2101, 2282, and 2284 of new title 28, Judiciary and Judicial Procedure, shall be applicable to such an action.

"It is the intention of this provision to vest in such Federal taxpayers and consumers of electric energy the private substantive right to be protected against unlawful expenditures of Federal funds and the unlawful construction of steam plants by the Tennessee Valley Authority, and to permit the action herein authorized for the protection of the public and for the protection of such private substantive right."

Mr. FERGUSON. Mr. President, I wish to say a few words about the Muskrat case. In the case of *Muskrat* v. *United States* (219 U. S. 346), the question involved in this amendment was not decided at all. The congressional authorization which was invalidated by the court in the Muskrat case decision empowered four named persons "to institute their suits in the Court of Claims to determine the validity of any acts of Congress passed since the said act of July 1, 1902."

At the outset it is clear that the language referred to simply authorized a suit to be brought for the purpose of obtaining an advisory opinion of the court. There is no question that such an act cannot validly confer jurisdiction on a Federal court. Moreover, the act involved in the Muskrat case charged the Attorney General of the United States with the duty of defending suits brought thereunder. Those suits were not authorized to protect the public interest, since the Attorney General himself was charged with that duty. Furthermore, the court pointed out in the Muskrat case that any judgment which the court could render could not be executed, and, therefore, the judgment would amount to no more than an expression of an opinion upon the validity of the acts in question.

Mr. President, no such criticism could properly be directed against my amendment, inasmuch as the court would have the undoubted right to give final judgment in such a suit and to enforce judgment, just as it could in any other validly instituted action.

I read now from the Ickes case, which I have previously cited:

Instead of designating the Attorney General, or some other public officer, to bring such proceedings, Congress can constitutionally enact a statute conferring on any non-official person, or on a designated group of non-official persons, authority to bring a suit to prevent action by an officer in violation of his statutory powers; for them, in like manner, there is an actual controversy, and there is nothing constitutionally prohibiting Congress from empowering any person, official or not, to institute a proceeding involving such a controversy, even if the sole purpose is to vindicate the public interest. Such persons, so authorized, are, so to speak, private attorneys general.

In the Scripps-Howard case—*Scripps-Howard Radio Inc.* v. *Federal Communications Commission* (316 U. S. 4)—the Court said:

The Communications Act of 1934 did not create new private rights. The purpose of the act was to protect the public interest in communications. By section 402 (b) (2), Congress gave the right of appeal to persons "aggrieved or whose interests are adversely affected" by commission action. * * * But these private litigants have standing only as representatives of the public interest. * * * That a court is called upon to enforce public rights and not the interests of private property do not diminish its power to protect such rights.

Mr. President, my amendment in effect and in fact would confer on a designated group authority to bring suit in behalf of the public to prevent unlawful action by a group of officials or by a Government agency, namely, the Tennessee Valley Authority; and the amendment also would vest that group with a substantive right to be protected against such unlawful action.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Michigan to suspend the rule, under notice given on March 18.

Mr. FERGUSON. On this question, I ask for the yeas and nays.

The yeas and nays were ordered, and the legislative clerk proceeded to call the roll.

Mr. BALDWIN (when his name was called). On this vote I am paired with the senior Senator from Connecticut [Mr. MCMAHON], who is necessarily absent, and likewise with the senior Senator from Kansas [Mr. REED]. If the senior Senator from Connecticut were present, he would vote "nay." If the senior Senator from Kansas and I were permitted to vote, we would vote "yea."

Under the circumstances, we withhold our votes.

The roll call was concluded.

Mr. MYERS. I announce that on this vote the senior Senator from Nevada [Mr. MCCARRAN], who is absent by leave of the Senate on official business, and the junior Senator from Nevada [Mr. MALONE] are paired on this vote with the Senator from Oregon [Mr. MORSE]. If present and voting, the senior Senator from Nevada and the junior Senator from Nevada would vote "yea," and the Senator from Oregon would vote "nay."

The Senator from New Mexico [Mr. CHAVEZ], the Senator from Oklahoma [Mr. THOMAS], and the Senator from Utah [Mr. THOMAS] are unavoidably detained, and if present each of these Senators would vote "nay."

The Senator from North Carolina [Mr. GRAHAM] is absent because of illness, and if present would vote "nay."

The Senator from New York [Mr. WAGNER] is necessarily absent, and if present would vote "nay."

Mr. SALTONSTALL. I announce that the Senator from New Jersey [Mr. SMITH] is absent because of illness. If present and voting, the Senator from New Jersey would vote "yea."

The Senator from Kansas [Mr. REED] is detained on official business, and his pair has been previously announced.

The Senator from New Hampshire [Mr. TOBEY] is detained on official business.

The junior Senator from Nevada [Mr. MALONE] who is detained on official business and the senior Senator from Nevada [Mr. MCCARRAN] are paired with the Senator from Oregon [Mr. MORSE] who is absent on official business. If present and voting, the junior Senator from Nevada [Mr. MALONE] and the senior Senator from Nevada [Mr. MCCARRAN] would vote "yea," and the Senator from Oregon [Mr. MORSE] would vote "nay."

The result was—yeas 38, nays 45, as follows:

YEAS—38

Brewster	Gurney	Robertson
Bricker	Hendrickson	Saltonstall
Bridges	Hickenlooper	Schoeppel
Butler	Ives	Smith, Maine
Byrd	Jenner	Taft
Cain	Kem	Thye
Capehart	Knowland	Tydings
Cordon	Lodge	Vandenberg
Donnell	McCarthy	Watkins
Ecton	Martin	Wherry
Ferguson	Millikin	Wiley
Flanders	Mundt	Williams
Gillette	O'Conor	

NAYS—45

Aiken	Holland	McKellar
Anderson	Humphrey	Magnuson
Chapman	Hunt	Maybank
Connally	Johnson, Colo.	Miller
Douglas	Johnson, Tex.	Murray
Downey	Johnston, S. C.	Myers
Eastland	Kefauver	Neely
Ellender	Kerr	O'Mahoney
Frear	Kilgore	Pepper
Fulbright	Langer	Russell
George	Long	Sparkman
Green	Lucas	Stennis
Hayden	McClellan	Taylor
Hill	McFarland	Withers
Hoey	McGrath	Young

NOT VOTING—13

Baldwin	Malone	Thomas, Utah
Chavez	Morse	Tobey
Graham	Reed	Wagner
McCarran	Smith, N. J.	
McMahon	Thomas, Okla.	

The PRESIDING OFFICER. Two-thirds of the Senators present not having voted in the affirmative, the rule is not suspended.

The bill is open to further amendment. If there be no further amendment to be offered, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill H. R. 2632 was read the third time and passed.

Mr. MCKELLAR. Mr. President, I move that the Senate insist upon its amendments and request a conference thereon with the House, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. MCKELLAR, Mr. HAYDEN, Mr. RUSSELL, Mr. BRIDGES, and Mr. GURNEY conferees on the part of the Senate.

EXTENSION OF DISTRICT OF COLUMBIA RENT CONTROL ACT—CONFERENCE REPORT

Mr. MCGRATH. Mr. President, I present the conference report on House bill 1757, to amend and extend the provisions of the District of Columbia Emergency Rent Act, and I ask for its immediate consideration.

Mr. MCCARTHY. Mr. President, before Senators leave the floor, I announce that I shall ask for the yeas and nays in connection with this conference report.

The report was read as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 1757) to amend and extend the provisions of the District of Columbia Emergency Rent Act, approved December 2, 1941, as amended, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 3 and 4.

That the House recede from its disagreement to the amendments of the Senate numbered 5 and 7, and agree to the same.

Amendment numbered 1: That the House recede from its disagreement to the amendment of the Senate numbered 1 and agree to the same with an amendment as follows:

"On page 1, line 7, of the House bill, strike out 'March 31, 1949' and insert in lieu thereof 'April 30, 1949' "; and the Senate agree to the same.

Amendment numbered 2: That the House recede from its disagreement to the amendment of the Senate numbered 2 and agree to the same with an amendment as follows:

"Strike out 'April 1, 1949' in the matter proposed to be inserted by said amendment and insert in lieu thereof 'May 1, 1949' "; and the Senate agree to the same.

Amendment numbered 6: That the House recede from its disagreement to the amendment of the Senate numbered 6 and agree to the same with an amendment as follows:

"In the fifth line of the matter proposed to be inserted by said amendment strike out the word 'were' and insert in lieu thereof the word 'are' "; and the Senate agree to the same.

J. HOWARD MCGRATH,
J. ALLEN FREAR, Jr.,
Managers on the Part of the Senate.

OREN HARRIS,
O. E. TEAGUE,
JOSEPH O'HARA,
Managers on the Part of the House.

The PRESIDING OFFICER (Mr. SPARKMAN in the chair). Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. MCGRATH. Mr. President, at this late hour I may say that there is only one point of controversy in the conference report. The Senator from Wisconsin has stated that he will ask for the yeas and nays, but I believe the debate on the report should not consume more than 10 minutes. I should appreciate it if Senators would remain on the floor and be present to vote, if the yeas and nays are requested.

This is the conference report on the District of Columbia rent control bill. We have reached agreement on all points but there is some controversy with respect to the provision in the bill as passed in the Senate which applied the fair net return principle to the District of Columbia, similar to the principle which has been written into the National Act. This has been rejected by the conference because of the great difference which exists between the National Act and the District of Columbia Act, and in the method by which both have operated through the years of rent control. In the District of Columbia due consideration has been given to all applications for increases in rents based upon the very principles contained in the proposal for a fair net return, to the extent that more than 90 percent of the rentable property in the District of Columbia has received relief through the administrative processes of those charged with the administration of the law within the District of Columbia.

I sincerely believe, Mr. President, that if we were now to try to write this particular provision into the District law, it could bring only one result, namely, a great inequality with respect to tenants within the District of Columbia, and an undue and unfair advantage to landlords within the District of Columbia.

Mr. MCCARTHY. Mr. President will the Senator yield at that point?

Mr. MCGRATH. Please let me finish, and then I shall be glad to yield the floor.

Mr. President, if I felt that rent control would be with us for years to come, probably there would be reason for a different approach to the problem; but the matter of controlling rents within the District of Columbia under a separate and distinct law has worked very well over the years in which we have had rent control. Administrative procedures and processes have been established, and it seems to me wholly unwise, at this late stage of the proceedings, to write into the law something which would require an entirely new organization to administer rent control within the District of Columbia.

That was the opinion of the conferees as we weighed the question very seriously, over several days in conference.

Therefore, Mr. President, I express the hope that because we are in the position of having a rent-control law in the District of Columbia which, in many details, from the very beginning, has been different from the rent-control law governing the rest of the Nation, we should not at this time upset the procedure, the organization, the methods, or the precedents which have been established in the administration of the law.

I know there has been a strong appeal to Senators to have uniformity with respect to legislation, but I would remind them that we act here in rather a dual capacity. We act as the legislature for the District of Columbia; we act as the city council for the District of Columbia. There are many things we agree to do and which we do in our capacity as legislators for the District of Columbia, which we would not do for the country as a whole. In other words, Mr. President, it seems to me there is a great distinction as we legislate for a particular situation within this city. The principles which we might well apply here we would not be willing to apply in our own States. As arguments are made for unification of principles with respect to laws, I think we should always keep in mind that we are acting in a dual capacity. For some reason or other, in the early days of rent control, the Congress determined that there should be a different rent-control law

for the District of Columbia from that for the rest of the Nation. I think it was a wise decision, because it has worked well. It has operated without serious complaint. It has been well administered. I am sure the people of the District of Columbia are satisfied with it.

So, Mr. President, my appeal to the Senate is that we give our support and our approval to the conference report, knowing that it is the wish of the vast majority of those who live in the District of Columbia that the law should be continued on the basis upon which we have now presented it.

Mr. McCARTHY. Mr. President, in view of the lateness of the hour, I shall not take much of the Senate's time on this question. It is a perfectly simple proposition. We have before us the question whether we should provide a different set of rules for the city in which Congress sits from the rules which we provide for the rest of the Nation.

The only difference between the national law and the District of Columbia law is the part of the legislation which provides for a fair net operating income for the landlord. My friends on the other side of the aisle have had much to say regarding the great advantage of this particular provision in the national law. When the President signed the bill he had much to say about it. I should like to quote what the President himself said regarding the provision which the very able Senator from Rhode Island now says should not be applied to the District of Columbia.

This is what the President said:

> While affording more effective protection to tenants against illegal and unjustified rent increases, the act also facilitates the making of adjustments necessary to correct injustices against landlords.

I call particular attention to the next sentence:

> In particular, the act will be helpful in the case of any small landlord who may not be obtaining an adequate net operating income.

I wish the Senator from Rhode Island would listen to me. May I impose upon the Senator from Rhode Island? If I may impose up the chairman of the Democratic National Committee to call his attention to what the President said about what the Senator is now opposing, the President said this:

> In particular, the act will be helpful in the case of any small landlord who may not be obtaining an adequate net operating income.

The words "net operating income" are the words which the Senator wants stricken from the District of Columbia bill.

Further down in the President's statement he says this:

> The act provides that in making adjustments the Housing Expediter shall assure landlords "a fair net operating income." This provision does not create an administratively unworkable standard of fair return, nor does it mean a general rent increase for all tenants. Rather, it provides an equitable standard for adjustments where they are needed.

I repeat. The President says, in regard to the provision which the Senator from Rhode Island opposes in the District of Columbia bill:

> Rather it provides an equitable standard for adjustments where they are needed.

Throughout the President's statement he goes out of his way wholeheartedly to approve this provision in the national law, which the Senator now says should not be in the District law.

Going further, the President says this:

> This act was passed by the Congress despite the propaganda barrage which was designed to destroy rent control altogether. In its final form it represents a crushing defeat for the real-estate lobby.

It seems unusual, if we are to pass a bill which represents a crushing defeat for the real-estate lobby as to all the cities in which our constituents live, to say that that bill is not good enough for the city in which we ourselves live.

I realize full well that no Senator is going to vote against this provision because he himself thinks his own rent is going to be increased, but it will not be possible to convince the 143,000,000 people living throughout the country that that was not the intent of the Senate.

I sat through the conference and heard the conferees argue that if we included in the District law the identical provision we have in the law covering the rest of the Nation, we would be subject to rent increases in this city. That may be true; I do not know. I did not think too much of the rent-control bill which was passed for the rest of the Nation, but if it is good enough for the people whom we represent, then it should be good enough for us.

Mr. President, I should like to quote the very able junior Senator from Alabama [Mr. SPARKMAN], now presiding over the Senate, when he was discussing this particular provision insofar as the national law was concerned. I wish to quote what the able Senator from Alabama said, and I may say that I think he spent more time on this subject, as head of the subcommittee considering rent control, than perhaps any other Senator. This is what he said:

> First, let me say, yes, I believe in a fair return. I think I can say that every member of the committee believes in a fair return. It was one of the points which engaged our attention most earnestly from the very first. We tried to write the legislation in such a way as to insure, so far as we could, a fair return, reasonable treatment to both the tenant and the landlord.

That is what the very able Senator from Alabama had to say about this particular provision in the national law. If that provision is so good that the chairman of the subcommittee says we must have it in the national law, if it is so good that the President says its inclusion in the national law represents a defeat for the real estate lobby, then I cannot see why it is not good enough for those of us who live in Washington.

The Senator from Rhode Island raised another point. He said it would be difficult administratively to carry out the law. Mr. Cogswell, the head of the local rent-control board, offered that argument to the conferees. He said, "We do not have the staff to administer this locally."

Mr. President, I took the trouble to compare the staff in Washington as against the staff in my State, in an area larger than the city of Washington. In Washington, D. C., there are 34 men administering rent control. In Milwaukee, Racine, and Kenosha, Wis., a combination of all those cities, there is a total of 44, for an area about three times as large as Washington, D. C.

I might say, in closing, that I have been very much disturbed by the attitude displayed by people throughout the country to the effect that Congress goes out of its way to protect itself in Washington. I do not believe that to be true; however, we do make it appear to be true.

Senators will recall that when the Senate some time ago was considering some action relative to the pay of Members of Congress there was a campaign called "Bundles for Congress." I say in all seriousness, if we provide more protection for Members of Congress in Washington than for citizens of the country generally, then instead of a "Bundles for Congress" program, we should have a "Leases for Congress" program, and I might say "very short-term leases."

Mr. CAIN. Mr. President, will the Senator from Wisconsin yield?

Mr. McCARTHY. I yield to the Senator from Washington.

Mr. CAIN. I have heard it said that the District of Columbia rent office does not have sufficient personnel to administer the phase of the law which is in dispute. Has the Senator spoken about that?

Mr. McCARTHY. The Senator was absent from the floor for a brief period. I pointed out that there are more men in the Rent Control Office in Washington, in proportion to the number of tenants and landlords, than in any other city of which I know. There are about three times as many as there are in the State of Wisconsin. So if Wisconsin can administer the rent control law with one-third as many men as there are in Washington, they must have sufficient personnel here.

Mr. McGRATH. Mr. President, I merely wish to say that the result of sustaining the position taken by the Senator from Wisconsin would probably be to leave the District of Columbia without a rent control law, because the rejection of the conference report would mean that we would have to start in all over again with a rent control bill. I do not think Congress has either the time or the disposition to do that.

Therefore, I hope Senators will agree to go along and support the conference report, with the knowledge in the District of Columbia that there have been very fair and equitable adjustments of all applications for rent increases.

I repeat, the measure we are dealing with here is entirely different from the national act. The references the President made to the national act, while they may have great application throughout the Nation, taking into consideration all the various conditions

81ST CONGRESS
1ST SESSION

H. R. 2632

IN THE HOUSE OF REPRESENTATIVES

APRIL 13, 1949

Ordered to be printed with the amendments of the Senate numbered

AN ACT

Making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1949, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, to supply supplemental appropriations for the fiscal year ending June 30, 1949, and for other purposes, namely:

LEGISLATIVE BRANCH

SENATE

(1) *For payment to Vera C. Bushfield, widow of Harlan J. Bushfield, late a Senator from the State of South Dakota, $12,500.*

(2)*For payment to Alice W. Broughton, widow of J. Melville Broughton, late a Senator from the State of North Carolina, $12,500.*

OFFICE OF THE VICE PRESIDENT

For the expense allowance of the Vice President, fiscal year 1949, from January 20 to June 30, $4,500.

(3)*ADMINISTRATIVE AND CLERICAL ASSISTANTS TO SENATORS*

The appropriation for administrative and clerical assistants and messenger service for Senators contained in the Legislative Branch Appropriation Act, 1949, is made available for the employment of an additional clerk at the basic rate of $1,500 per annum by each Senator from the States of California and Virginia, the population of said States having exceeded ten million and three million, respectively.

(4)*OFFICE OF SERGEANT AT ARMS AND DOORKEEPER*

(5)*Hereafter the basic annual rates of compensation for two clerks at $3,480 each contained in the Legislative Branch Appropriation Act, 1949, shall be one at $4,260 and one at $2,700.*

(6)*Commencing March 1, 1949, the appropriation for "Salaries of officers and employees of the Senate" contained in the Legislative Branch Appropriation Act, 1949, shall be available for the compensation of laborer in charge of*

private passage at $2,280 basic per annum in lieu of laborer in charge of private passage at $2,120.

CONTINGENT EXPENSES OF THE SENATE

(7)~~Vice President's Automobile~~

(8)*Vice President's automobile:* For an additional amount for "Vice President's (9)~~automobile,"~~ *automobile", fiscal year 1949,* $2,500.

(10)*Postage stamps: For additional amounts for postage stamps, for the following offices: Office of the Secretary, $150; Office of the Sergeant at Arms, $75; in all, fiscal year 1949, $225.*

(11)*Furniture: For an additional amount for furniture and repairs, fiscal year 1949, $6,000.*

(12)*Commencing January 20, 1949, the provisions of existing law relating to long-distance telephone calls for Senators shall be equally applicable to the Vice President of the United States.*

(13)*The basic salary of the research assistant to the minority leader authorized by Senate Resolution Numbered 158, agreed to December 9, 1941, hereby is increased from $6,000 to $7,320 per annum.*

(14)*Notwithstanding the provisions of the Treasury-Post Office Appropriation Act, 1949, the appropriation "Miscellaneous items, contingent expenses of the Senate", shall be*

available for purchase of new or used typewriters at prices which do not exceed prices established under the provisions of the Treasury-Post Office Appropriation Act, 1949.

HOUSE OF REPRESENTATIVES

For payment to Temple W. West, widow of Milton H. West, late a Representative from the State of Texas, $12,500.

For payment to Lotti S. Delaney, widow of John J. Delaney, late a Representative from the State of New York, $12,500.

(15)*For payment to Vera Bloom, daughter of Sol Bloom, late a Representative from the State of New York, $12,500.*

CONTINGENT EXPENSES OF THE HOUSE

Miscellaneous Items

Notwithstanding the provisions of the Treasury Department Appropriation Act, 1949, the appropriation for "Miscellaneous items" for the House of Representatives in the Legislative Branch Appropriation Act, 1949, shall be available for purchase of new or used typewriters at prices which do not exceed prices established under the provisions of the Treasury Department Appropriation Act, 1949.

(16)*JOINT COMMITTEE ON NONESSENTIAL FEDERAL EXPENDITURES*

For an amount which is hereby authorized to enable the Joint Committee on Reduction of Nonessential Federal Expenditures to carry out the duties imposed upon it by

section 601 of the Revenue Act of 1941 (55 Stat. 726), to remain available during the existence of the committee, $20,000, to be disbursed by the Secretary of the Senate.

ARCHITECT OF THE CAPITOL

CAPITOL BUILDING, SENATE AND HOUSE ROOFS AND CHAMBERS

Capitol Building: For an additional amount to enable the Architect of the Capitol to carry forward the improvements affecting the House Wing of the Capitol authorized by the Second Deficiency Appropriation Act of June 27, 1940 (54 Stat. 629), as amended by the Acts of June 8, 1942 (56 Stat. 342), and July 17, 1945 (59 Stat. 472), $2,274,500. The Architect of the Capitol is authorized to enter into contracts, including cost-plus-a-fixed-fee contracts as approved by the Special Committee on Reconstruction of House Roof and Skylights and Remodeling of House Chamber, and to make such other expenditures as may be necessary for the improvements affecting the House Wing of the Capitol authorized by such Acts, in such amounts as may be approved by the House committee appointed under section 1 of the Act of July 17, 1945, notwithstanding the provisions of section 2 of that Act: *Provided*, That the amounts so approved by such committee may be obligated in full prior to the actual appropriation thereof.

THE JUDICIARY

Miscellaneous Items of Expense

FEES OF JURORS

For an additional amount for "Fees of jurors", $300,000.

General Provisions

Notwithstanding the provisions of the Treasury Department Appropriation Act, 1949, appropriations in the Judiciary Appropriation Act, 1949, available for miscellaneous expenses or for salaries and expenses shall be available for purchase of new or used typewriters at prices which do not exceed prices established under the provisions of the Treasury Department Appropriation Act, 1949.

EXECUTIVE OFFICE OF THE PRESIDENT

Compensation of the President

For an additional amount, fiscal year 1949, for "Compensation of the President" from January 20 to June 30, including an expense allowance at the rate of $50,000 per annum, as authorized by Public Law 2, approved January 19, 1949, $33,437.52.

Office of Defense Transportation

SALARIES AND EXPENSES

For an additional amount for "Salaries and expenses", $95,000; and the limitation under this head in the Supplemental Independent Offices Appropriation Act, 1949, on the amount available for travel expenses is increased from

"$54,000" to "$65,000": *Provided,* That the appropriation under said head shall remain available until June 30, 1949: *Provided further,* That the sum of $60,000 made available under said head exclusively for terminal leave payments shall be available for any of the purposes specified under said head.

INDEPENDENT OFFICES

Displaced Persons Commission

For an additional amount for "Displaced Persons Commission", $1,200,000; and the limitation under this head in the Second Deficiency Appropriation Act, 1948, on the purchase of passenger motor vehicles, is increased from "fifteen" to "thirty-five".

Federal Security Agency

bureau of employees' compensation

Administrative Expenses, War Claims Act

For administrative expenses necessary for performing the duties imposed upon the Federal Security Administrator by the War Claims Act of 1948 (Public Law 896, approved July 3, 1948), $35,000, to be derived from the war claims fund created by section 13 (a) of said Act and to be advanced to and consolidated with the appropriation for "Salaries and expenses" under the Bureau of Employees' Compensation in the Federal Security Agency Appropriation Act, 1949.

Employees' Compensation Fund

For an additional amount for "Employees' compensation fund", $3,400,000.

SOCIAL SECURITY ADMINISTRATION

Grants to States for public assistance

For an additional amount for "Grants to States for public assistance", $151,000,000.

Grants to States for Unemployment Compensation and Employment Service Administration

For an additional amount for "Grants to States for unemployment compensation and employment service administration", (17) ~~$10,000,000~~ *$14,000,000, of which $4,000,000 shall be available only upon determination by the Federal Security Administrator, with the approval of the Director of the Bureau of the Budget, that increased costs have resulted either from (1) increases in work load, or (2) increases in salaries of State employees, occurring after February 1, 1949.*

(18) *FEDERAL WORKS AGENCY*

(19) *PUBLIC BUILDINGS ADMINISTRATION*

(20) *Renovation and Modernization, Executive Mansion*

For all expenses necessary for and incident to the renovation, repair, and modernization (without change of present architectural appearance of the exterior of the Mansion or

the interior of its main floor) of the Executive Mansion, including the preparation of drawings and specifications, and the purchase of furniture, furnishings, and equipment, without regard to section 3709 of the Revised Statutes or the civil-service and classification laws, $5,400,000, to remain available until expended: Provided, That any cost-plus-a-fixed-fee general construction contract entered into in pursuance of this authority shall be awarded on competitive bidding among responsible general contractors upon the amount of the fixed fee to accrue from the performance of such contract: Provided further, That with the exception of the subcontract to be made by the general contractor for the underpinning and foundation work and work incidental and appurtenant thereto, which may be a cost-plus-a-fixed-fee contract, all other subcontracts made by the general contractor shall be fixed price contracts awarded on competitive bids received from responsible subcontractors.

(21) *General Accounting Office Building, District of Columbia*

The contract authority provided under this head in the Second Deficiency Appropriation Act, 1948, for the construction of a building for the use of the General Accounting Office, is increased in an amount not to exceed $2,550,000 under the revised limit of cost of $25,400,000.

(22)*BUREAU OF COMMUNITY FACILITIES*

Maintenance and Operation of Schools

For an additional amount for "Maintenance and operation of schools", $3,000,000; and the limitation under this head in the Second Deficiency Appropriation Act, 1948, on the amount available for administrative expenses, is increased from "$100,000" to "$175,000".

HOUSING AND HOME FINANCE AGENCY

FEDERAL HOUSING ADMINISTRATION

The amount made available under this head in the Government Corporations Appropriation Act, 1949, for administrative expenses of the Federal Housing Administration, is increased from "$19,000,000" to (23)~~$23,000,000"~~ *"$23,800,000"*; and the sources of funds for such administrative expenses shall include the housing investment insurance fund created by the Housing Act of 1948.

(24)*PUBLIC HOUSING ADMINISTRATION*

(25)*The second proviso in the paragraph under the heading "Federal Public Housing Authority" in title I of the Government Corporations Appropriation Act, 1948, is hereby repealed as of July 1, 1947.*

(26)*The second proviso in the pargaraph under the heading "Public Housing Administration" in title I of the Government Corporations Appropriation Act, 1949, is hereby repealed as of July 1, 1948.*

HOUSING EXPEDITER

SALARIES AND EXPENSES

For an additional amount for "Salaries and expenses, Office of the Housing Expediter", $4,800,000.

(27) *MOTOR CARRIER CLAIMS COMMISSION*

SALARIES AND EXPENSES

For expenses necessary for the Motor Carrier Claims Commission established by the Act of July 2, 1948 (Public Law 880), including personal services in the District of Columbia, travel expenses, printing and binding, and services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a), $50,000: Provided, That section 6 of the aforesaid Act of July 2, 1948, as amended, is further amended by striking out the words "nine months" and inserting in lieu thereof the words "fifteen months", and section 13 of said Act, as amended, is further amended by striking out the words "nine months' period" and inserting in lieu thereof the words "fifteen months' period".

NATIONAL CAPITAL HOUSING AUTHORITY

MAINTENANCE AND OPERATION OF PROPERTIES

For an additional amount for "Maintenance and operation of properties", $3,300.

TENNESSEE VALLEY AUTHORITY

For an additional amount for "Tennessee Valley Au-

thority", $2,950,000, to remain available until expended; and the limitation under this head in title I of the Government Corporations Appropriation Act, 1949, on the amount available for capital expenditures, is increased from "$21,689,000" to "$24,639,000": *Provided*, That the limitation under this head in title II of the Government Corporations Appropriation Act, 1949, on the amount available for administrative and general expenses of the Corporation, is increased from "$3,677,000" to "$3,988,000", and the limitation therein on the use for such purposes of funds appropriated by title I of said Act is hereby repealed.

THE TAX COURT OF THE UNITED STATES

SALARIES AND EXPENSES

The limitation imposed by section 104 of the Independent Offices Appropriation Act, 1949, on the amount available for travel expenses under this head, is increased from "$20,000" to "$26,000".

(28) *UNITED STATES MARITIME COMMISSION*

VESSEL OPERATING FUNCTIONS

Not to exceed $4,568,000 of the unobligated balance on March 1, 1949, of the funds appropriated under this head in the Supplemental Independent Offices Appropriation Act, 1949, shall remain available until June 30, 1949.

VETERANS' ADMINISTRATION

NATIONAL SERVICE LIFE INSURANCE

For an additional amount for "National service life insurance", $55,000,000, to remain available until expended.

SOLDIERS' AND SAILORS' CIVIL RELIEF

For an additional amount for "Soldiers' and sailors' civil relief", $190,000, to remain available until expended.

VETERANS' MISCELLANEOUS BENEFITS

For an additional amount for "Veterans' miscellaneous benefits", $44,189,000, to remain available until expended.

WAR ASSETS ADMINISTRATION

SALARIES AND EXPENSES, SPECIAL FUND

For an additional amount for "Salaries and expenses, War Assets Administration, special fund", (29) ~~$12,500,000~~ *$13,750,000*, to be derived from the special fund account in the Treasury as provided for in the First Deficiency Appropriation Act, 1946: *Provided*, That all funds appropriated under this head for the fiscal year 1949 shall be available during the entire fiscal year: *Provided further*, That notwithstanding the provisions of any other law, not to exceed $4,000,000 of the proceeds of the disposal of surplus property or deductions from proceeds otherwise collectible as a result of the disposal of such property shall be available for such

costs of renovation, restoration, rehabilitation, improvement, and repair of industrial facilities, as may be contracted for during the fiscal year 1949 if required for purposes of national defense or for the protection of the public or of private property from the effects of the operation of such facilities: *Provided further,* That the effective date for abolishing the office of the War Assets Administrator, terminating the existence of the War Assets Administration, and transferring to other Federal agencies its responsibility for disposal of property declared surplus prior to July 1, 1948. as prescribed by the Supplemental Independent Offices Appropriation Act, 1949, is hereby changed from "February 28, 1949", to "June 30, 1949", or such earlier date as may be established by legislation enacted during the first session of the Eighty-first Congress.

(30) *War Claims Commission*

(31) *administrative expenses*

For expenses necessary for the War Claims Commission, including personal services in the District of Columbia; travel expenses; printing and binding; services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a); and advances or reimbursements to other Government agencies for use of their facilities and services in carrying out the functions of the Commission; $100,000, to be derived from the war claims fund created by section 13 (a) of the

War Claims Act of 1948 (Public Law 896, approved July 3, 1948): Provided, That the date fixed by section 8 (a) of the War Claims Act of 1948 for submission of the report required by said section is changed from "March 31, 1949", to "December 31, 1949".

(32) *PAYMENT OF CLAIMS*

For payment of claims, as authorized by the War Claims Act of 1948, from funds deposited in the Treasury to the credit of the war claims fund created by section 13 (a) of said Act, such sums as may be necessary, to be available to the Secretary of the Treasury for payment of claims under sections 4 (a), 4 (b) (2), 5 (e), 6 (b), and 7 of said Act to the payees named and in the amounts stated in certifications by the War Claims Commission and the Federal Security Administrator or their duly authorized representatives, which certifications shall be in lieu of any vouchers which might otherwise be required: Provided, That this appropriation shall not be available for administrative expenses.

DEPARTMENT OF AGRICULTURE

Office of Information

PRINTING AND BINDING

The limitation under this head in the Department of Agriculture Appropriation Act, 1949, on the amount which may be transferred to this appropriation from other appro-

priations of the Department of Agriculture, is increased from "$145,000" to "$170,500".

AGRICULTURAL RESEARCH ADMINISTRATION

BUREAU OF ENTOMOLOGY AND PLANT QUARANTINE

Control of Emergency Outbreaks of Insects and Plant Diseases

For an additional amount for "Control of emergency outbreaks of insects and plant diseases", (33)~~$1,000,000~~ *$1,350,000* (34)*: Provided, That a report shall be made by the Secretary of Agriculture to the Senate and House Appropriation Committees covering expenditures from the fiscal year 1949 appropriations for this purpose.*

PRODUCTION AND MARKETING ADMINISTRATION

CONSERVATION AND USE OF AGRICULTURAL LAND RESOURCES

For an additional amount for "Conservation and use of agricultural land resources", for formulating and carrying out programs under the (35)~~Agricultural~~ *Agricultural* Adjustment Act of 1938, as amended, including cotton and wheat marketing quota programs, $9,734,500; and the limitation under this head in the Department of Agriculture Appropriation Act, 1949, on the amount available during the fiscal year 1949 for salaries and other administrative expenses, is increased from "$24,500,000" to "$34,234,500"; and the limitation under said head on the amount available for trans-

fer to the appropriation account "Administrative expenses, section 392, Agricultural Adjustment Act of 1938", is increased from "$7,000,000" to "$8,284,000".

(36) *FARMERS' HOME ADMINISTRATION*

LOANS TO FARMERS, PROPERTY DAMAGE

The funds appropriated under the head "Loans to farmers, 1948 flood damage", in the Second Deficiency Appropriation Act, 1948, shall remain available until June 30, 1950, in accordance with the terms and conditions specified under said head, to provide assistance to farmers whose property is destroyed or damaged as a result of floods, storms, or other natural calamity during the calendar years 1948 and 1949.

COMMODITY CREDIT CORPORATION

ADMINISTRATIVE EXPENSES, COMMODITY CREDIT CORPORATION

The limitation under this head in the Department of Agriculture Appropriation Act, 1949, on the amount available for administrative expenses of the Corporation, is increased from "$7,575,000" to "$10,814,700".

DEPARTMENT OF COMMERCE

OFFICE OF THE SECRETARY

VOLUNTARY AGREEMENTS

For an additional amount for "Voluntary agreements", $190,000.

BUREAU OF THE CENSUS

CENSUS OF BUSINESS

For an additional amount for "Census of business", $11,000,000, to remain available until December 31, 1951; and appropriations under this head shall be available for health service programs as authorized by law (5 U. S. C. 150), and for compensation of employees of the Department of Commerce and other departments and independent agencies of the Government who may be detailed for field work.

CIVIL AERONAUTICS ADMINISTRATION

CLAIMS, FEDERAL AIRPORT ACT

For reimbursement, in accordance with section 17 of the Federal Airport Act, as amended, to public agencies for necessary rehabilitation and repair to public airports damaged by Federal agencies, $1,227,140, to remain available until June 30, 1953, as follows: Greensboro-High Point Airport, Greensboro, North Carolina, $197,813; Buffalo Municipal Airport, Buffalo, New York, $594,344; Nantucket Airport, Nantucket, Massachusetts, $57,582; Detroit-Wayne Major Airport, Wayne County, Michigan, $168,689; Adams Field, Little Rock Municipal Airport, Little Rock, Arkansas, $187,072; and Galveston Municipal Airport, Galveston, Texas, $21,640.

COAST AND GEODETIC SURVEY

SALARIES AND EXPENSES, FIELD

For an additional amount for "Salaries and expenses, field", (37) ~~$290,000~~ *$366,000*.

BUREAU OF FOREIGN AND DOMESTIC COMMERCE

EXPORT CONTROL

For an additional amount for "Export control", $1,000,000; and limitations under this head in the Second Deficiency Appropriation Act, 1948, on amounts available for transfer to other appropriations are increased as follows: Bureau of Customs, from "$1,350,000" to "$1,500,000".

DEPARTMENT OF THE INTERIOR

OFFICE OF THE SECRETARY

EXPENSES, POWER TRANSMISSION FACILITIES

For an additional amount for "Expenses, power transmission facilities", $131,000.

BONNEVILLE POWER ADMINISTRATION

CONSTRUCTION, OPERATION, AND MAINTENANCE

For an additional amount for "Construction, operation and maintenance, Bonneville power transmission system", $6,047,800, to remain available until expended; and the limitation under this head in the Interior Department Appropriation Act, 1949, on expenses for operation and mainte-

nance of the Bonneville transmission system, is increased from "$3,231,800" to "$3,521,600"; (38)~~and the limitations under said head on force account activities and on salaries and expenses in connection with informational work are hereby repealed~~ *and the limitation under said head on force account activities is hereby amended to read as follows: ": Provided further, That not exceeding 10 per centum of any construction appropriations for the Bonneville Power Administration contained in this Act shall be available for construction work for force account, or on a hired-labor basis, except in case of emergencies, local in character, so declared by the Bonneville Power Administrator"*: *Provided,* That, in addition to the contract authorization contained under said head, the Administrator is authorized to contract in the fiscal year 1949 for materials, equipment, and services for power transmission facilities in an amount not in excess of $1,452,200.

BUREAU OF INDIAN AFFAIRS

NAVAJO AND HOPI SERVICE

Agency Services

For an additional amount for "Agency services", (39)~~$360,000~~ *$1,310,000: Provided,* ~~That after the approval of this Act no payment shall be made from this appropriation to Indians who are eligible for benefit payments under the Social Security Act~~ (40)*: Provided, That*

a detailed report shall be made by the Secretary of the Interior to the Senate and House Appropriation Committees covering expenditures from the fiscal year 1949 appropriations for the education of the Navajo and Hopi Indians.

(41) *EDUCATION OF INDIANS*

For an additional amount for "Education of Indians", $50,000.

(42) *CONSERVATION OF HEALTH*

For an additional amount for "Conservation of health", $75,000.

WELFARE OF INDIANS

For an additional amount for "Welfare of Indians", (43) ~~$385,000~~ *$560,000* (44) ~~: *Provided,* That after the approval of this Act no payment shall be made from this appropriation to Indians who are eligible for benefit payments under the Social Security Act~~.

(45) *CONSTRUCTION, AND SO FORTH, BUILDINGS AND UTILITIES*

For an additional amount under this head for the conversion of the Bushnell Army Hospital, Brigham City, Utah, for school purposes, $3,750,000, and the limitation under "Construction, and so forth, Buildings and Utilities" in the Department of Interior Appropriation Act, 1949, on the amount which may be used for surveys and plans and

administrative expenses, and so forth, is increased from "$190,000" to "$227,500".

(46) *ALASKA NATIVE SERVICE*

Vessel Conversion

For expenses necessary in converting and outfitting a vessel for use as a service and supply ship by the Alaska Native Service, $700,000, to remain available until expended.

(47) *PAYMENT TO CHOCTAW AND CHICKASAW NATIONS OF INDIANS, OKLAHOMA*

For payment to the Choctaw and Chickasaw Nations of Indians in fulfillment of the terms of a contract between the United States of America and the said nations as authorized by the Act of June 28, 1944 (58 Stat. 483), and as ratified by the Act of June 24, 1948 (Public Law 754), $8,359,000, of which not to exceed $50,000 shall be available until expended for defraying the expenses, including printing and binding, of making the per capita payment authorized by the above Acts: Provided, That in addition to the per capita payment, the Secretary of the Interior, in his discretion, is authorized to distribute per capita to the enrolled members of the Choctaw and Chickasaw Nations, entitled under existing law to share in the funds of such tribes, or to their lawful heirs or devisees determined in the manner prescribed in section 4 of the aforesaid Act of June

24, 1948, any or all the funds held by the Government of the United States for the benefit of said tribes.

(48) *INDIANS OF CALIFORNIA*

Pursuant to Public Law 852, Eightieth Congress, second session, approved June 30, 1948, the sum of $25,000 is hereby made available out of any funds in the Treasury of the United States to the credit of the Indians of California, to remain available until expended, to be used to defray the expenses incurred by the Secretary of the Interior in revising the roll as provided by law.

BUREAU OF RECLAMATION

FORCE ACCOUNT WORK

(49) ~~That part of the Interior Department Appropriation Act, 1949, which reads "not exceeding 8 per centum of the construction appropriation for any project under the Bureau of Reclamation contained in this Act shall be available for construction work by force account, or on a hired labor basis, except for projects or items the estimated construction cost of which does not exceed $200,000, and only then in cases where the Bureau of Reclamation finds the lowest bids to be excessive" is hereby repealed.~~

That part of the Interior Department Appropriation Act for 1949 which reads: "Not exceeding 8 per centum of the construction appropriation for any project under the Bureau

of Reclamation contained in this Act shall be available for construction work by force account, or on a hired labor basis, except for projects or items the estimated construction cost of which does not exceed $200,000, and only then in cases where the Bureau of Reclamation finds the lowest bids to be excessive." is hereby repealed and in lieu thereof the following provision is hereby inserted: "Not exceeding 10 per centum of the construction appropriation for the Bureau of Reclamation for any project contained in this Act shall be available for construction work by force account and on a hired-labor basis; except that not to exceed $500,000 may on approval of the Commissioner be expended for construction work by force account on any one project when the work is unsuitable for contract or when excessive bids are received; and except in cases of emergencies local in character, so declared by the Commissioner."

GENERAL FUND

Construction

For additional amounts for "Construction", to remain available until expended, as follows:

Davis Dam project, Arizona-Nevada, (50) ~~$4,500,000~~ *$5,000,000*;

Colorado-Big Thompson project, Colorado, (51) ~~$1,800,000~~ *$2,000,000*;

Columbia Basin project, Washington, (52)~~$4,500,000~~ *$5,000,000.*

Missouri River Basin

For an additional amount for "Missouri River Basin," reimbursable to the extent and as provided in the Act of December 22, 1944 (58 Stat. 887), (53)~~$4,500,000~~ *$5,100,000,* to remain available until expended.

RECLAMATION FUND

The following sums are appropriated out of the reclamation fund created by the Act of June 17, 1902, as follows:

General Offices

Salaries and expenses (other than project offices)

For an additional amount for "Salaries and expenses (other than project offices)", $260,000 (54)~~: *Provided,* That in addition to the amount appropriated under this head in the Interior Department Appropriation Act, 1949, there shall be available for expenditure under said head any sums transferred thereto for work performed or to be performed for the benefit of specific projects or undertakings for which other funds or appropriations of the Bureau of Reclamation are available; and the first, fourth, and fifth provisos under said head are hereby repealed~~*: Provided, That the limitation of $7,800,000 contained in the first proviso*

under this head in the Interior Department Appropriation Act, 1949, is hereby increased to $8,410,000: Provided further, That the limitation of $48,000,000 contained in the fourth proviso under this head in said Act is hereby increased to $53,376,000.

(55) ~~Effective January 31, 1949, the proviso under this head in the Interior Department Appropriation Act, 1949, which reads: "Provided further, That after January 31, 1949, no part of any appropriation for the Bureau of Reclamation contained in this Act shall be used for the salaries and expenses of a person in any of the following positions in the Bureau of Reclamation, or of any person who performs the duties of any such position, who is not a qualified engineer with at least five years' engineering and administrative experience: (1) Commissioner of Reclamation; (2) Assistant Commissioner of Reclamation; and (3) Regional Director of Reclamation—" is hereby repealed.~~

Construction

For additional amounts for "Construction", to remain available until expended, as follows:

Boise project, Idaho, Payette division, $275,000;

Lewiston Orchards project, Idaho, (56) ~~$300,000~~ *$350,000*;

Provo River project, Utah, (57) ~~$400,000~~ *$500,000*, of which $215,000 is for the payment of obligations incurred

under authority provided under this head in the Interior Department Appropriation Act, 1948.

Operation and Maintenance

Colorado-Big Thompson project, Colorado

For an additional amount for "Colorado-Big Thompson project", from power revenues, $52,000.

North Platte project, Nebraska-Wyoming

For an additional amount for "North Platte project, Nebraska-Wyoming", from power revenues, $17,500.

Kendrick project, Wyoming

For an additional amount for "Kendrick project, Wyoming", from power revenues, $131,000.

Emergency Fund

For establishing an emergency fund as authorized by the Act of June 26, 1948 (Public Law 790), $1,000,000, to remain available until expended for the purposes specified in said Act.

NATIONAL MILITARY ESTABLISHMENT

(58) *Department of the Army—Military Functions*

Secretary of the Army

expediting production

The sum of $2,000,000 of the appropriation "Expediting production of equipment and supplies for national defense, fiscal years 1942–1946", shall remain available

until June 30, 1949, for the payment of obligations incurred under contracts executed thereunder prior to July 1, 1946.

DEPARTMENT OF THE ARMY—CIVIL FUNCTIONS

CORPS OF ENGINEERS

Rivers and Harbors and Flood Control

The limitation under this head in the Civil Functions Appropriation Act, 1949, on the amount available for payment of salaries in the Office of the Chief of Engineers, is increased from "$1,250,000" to "$1,341,740".

Rivers and Harbors

Maintenance and improvement of existing river and harbor works

For an additional amount for "Maintenance and improvement of existing river and harbor works", (59)~~$10,500,000~~ *$10,509,000*, to remain available until expended.

Flood Control

Flood control, general

For an additional amount for "Flood control, general", $14,000,000, to remain available until expended.

Flood control, general (emergency fund)

For an additional amount for "Flood control, general (emergency fund)", as authorized by the Flood Control Act of 1948 (Public Law 858, approved June 30, 1948), (60)~~$2,500,000~~ *$20,000,000*, to remain available until ex-

pended (61): *Provided, That not to exceed $2,000,000 shall be made available under the provisions of and for the purposes enumerated in section 205 of the above Act.*

POST OFFICE DEPARTMENT

(Out of Postal Revenues)

Field Service, Post Office Department

OFFICE OF THE POSTMASTER GENERAL

Damage Claims

For an additional amount for "Damage claims", $250,000.

OFFICE OF THE SECOND ASSISTANT POSTMASTER GENERAL

Railroad Transportation and Mail Messenger Service

For an additional amount for "Railroad transportation and mail messenger service", $70,000,000.

Railway Mail Service, Travel Allowance

For an additional amount for "Railway mail service, travel allowance", $2,727,000.

Foreign Air Mail Service

For an additional amount for "Foreign air mail service", $17,000,000.

OFFICE OF THE FOURTH ASSISTANT POSTMASTER GENERAL

Vehicle Service

For an additional amount for "Vehicle service", $13,000,000.

TREASURY DEPARTMENT

FISCAL SERVICE

BUREAU OF ACCOUNTS

Payment of Certified Claims

For an additional amount for "Payment of certified claims", $2,300,000.

Refund of Moneys Erroneously Received and Covered

For an additional amount for "Refund of moneys erroneously received and covered", $800,000.

BUREAU OF ENGRAVING AND PRINTING

SALARIES AND EXPENSES

For an additional amount, fiscal year 1949, for "Salaries and expenses", $1,500,000.

BUREAU OF THE MINT

SALARIES AND EXPENSES

For an additional amount for "Salaries and expenses", $250,000: *Provided*, That appropriations under this head for the fiscal year 1949 shall be available for paying wage increases effective from the date of approval by the Treasury Department.

(62) *TITLE II—CLAIMS FOR DAMAGES, AUDITED CLAIMS, AND JUDGMENTS*

For payment of claims for damages as settled and determined by departments and agencies in accord with law, audited claims certified to be due by the General Account-

ing Office, and judgments rendered against the United States by United States district courts and the United States Court of Claims, as set forth in Senate Documents Numbered 15 and 24, Eighty-first Congress, $22,700,571.07, together with such amounts as may be necessary to pay interest (as and when specified in such judgments or in certain of the settlements of the General Accounting Office or provided by law) and such additional sums due to increases in rates of exchange as may be necessary to pay claims in foreign currency: Provided, That no judgment herein appropriated for shall be paid until it shall have become final and conclusive against the United States by failure of the parties to appeal or otherwise: Provided further, That, unless otherwise specifically required by law or by the judgment, payment of interest wherever appropriated for herein shall not continue for more than thirty days after the date of approval of this Act.

(63)*TITLE III—GENERAL PROVISIONS*

SEC. (64)2 *301.* No part of any appropriation contained in this Act shall be used to pay the salary or wages of any person who engages in a strike against the Government of the United States or who is a member of an organization of Government employees that asserts the right to strike against the Government of the United States, or who advocates, or is a member of an organization that advocates, the

overthrow of the Government of the United States by force or violence: *Provided,* That for the purposes hereof an affidavit shall be considered prima facie evidence that the person making the affidavit has not contrary to the provisions of this section engaged in a strike against the Government of the United States, is not a member of an organization of Government employees that asserts the right to strike against the Government of the United States, or that such person does not advocate, and is not a member of an organization that advocates, the overthrow of the Government of the United States by force or violence: *Provided further,* That any person who engages in a strike against the Government of the United States or who is a member of an organization of Government employees that asserts the right to strike against the Government of the United States, or who advocates, or who is a member of an organization that advocates, the overthrow of the Government of the United States by force or violence and accepts employment the salary or wages for which are paid from any appropriation contained in this Act shall be guilty of a felony and, upon conviction, shall be fined not more than $1,000 or imprisoned for not more than one year, or both: *Provided further,* That the above penalty clause shall be in addition to, and not in substitution for, any other provisions of existing law.

(65)~~SEC. 3. The provision in the Treasury Department Appropriation Act, 1949, which places a limit on the price which may be paid for such typewriters as may be purchased under the Act shall not apply to the purchase of office-type machines which are designed and constructed primarily to compose and print master copies for quantity reproduction by another process.~~

(66)*SEC. 302. The appropriations and authority with respect to appropriations in this Act in whole or in part for the fiscal year 1949 shall be available from and including March 1, 1949, for the purposes respectively provided in such appropriations and authority. All obligations incurred during the period between March 1, 1949, and the date of the enactment of this Act in anticipation of such appropriations and authority are hereby ratified and confirmed if in accordance with the terms thereof.*

SEC. (67)~~4~~ *303.* This Act may be cited as the "First Deficiency Appropriation Act, 1949".

Passed the House of Representatives February 16, 1949.

Attest: RALPH R. ROBERTS,

Clerk.

Passed the Senate with amendments April 13 (legislative day, April 11), 1949.

Attest: LESLIE L. BIFFLE,

Secretary.

81ST CONGRESS
1ST SESSION

H. R. 2632

AN ACT

Making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1949, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

APRIL 13, 1949

Ordered to be printed with the amendments of the Senate numbered

gument was made by the Senator from Louisiana [Mr. ELLENDER] was that if we were, in the first place, to provide that there should be no discrimination against those receiving widow's pensions, and, in the second place, to provide, in effect, that the greatest housing need should be the controlling factor, then in effect we would have more or less of a poorhouse.

The Senator and I realize that if we are to take care of those who need housing the most, it will be much harder to administer the measure than if we continue as we have in the past, that is, to provide housing only for the stable wage earners.

Mr. President, I am disturbed about the language appearing in lines 20 and 21. Last year, when I offered an amendment which, incidentally, I am happy to state, the Senator from Alabama did not oppose, providing that the question of greatest housing need should be controlling in selecting new tenants, the amendment was very vigorously objected to by the sponsors of the so-called Taft-Ellender-Wagner bill, so finally, we watered it down by saying that those who were in the greatest need of housing should be given the first consideration. When I suggested that those who had the greatest need should be given priority in obtaining housing accommodations, the suggestion was fought vigorously and successfully. I am frank to say that it disturbs me to see what I call trick language in lines 20 and 21.

Mr. President, I am not saying this on the spur of the moment, for I have gone over it in great detail. I have discussed it with 10 lawyers, some in the Housing Administration, and they all agree with me that this language defeats the purpose the Senator has in mind; that it will not provide for tenancy on the basis of greatest housing need.

Now that I am sure we both agree as to what we want to do, I know that over the weekend we can sit down and draft language which will accomplish the purpose we have in mind.

Mr. SPARKMAN. I appreciate what the Senator has pointed out, and I assure him that I shall be very glad to study the matter.

Mr. President, if there is no further business, to come before the Senate, I move——

Mr. McCARTHY. Mr. President, while the Senator is on the floor, I wish to point out another thing to him. The bill contains a farm housing section which I think is ridiculous to the point of being ludicrous. It is a farm housing section which provides for a number of unusual things. One section in the bill is what we referred to last year as the "toilet section" and provides that a farmer may secure a grant of $500 for repairing his toilets. It provides that the Secretary of Agriculture shall appoint in each county and in each parish of the whole country three commissioners. They will be paid on a per diem and an expense basis. As I look over that section of the bill and see the amount of money we have appropriated, I cannot help but be convinced that after we get through paying the three commissioners in each county their per diem and their expenses, there will be no money left to make grants for toilets. The provision would mean the setting up of a great mass of employees throughout the Nation who would investigate and find all the farmers who needed their toilets repaired, but by the time they had completed their work of investigation, and had come to the point of making the grants of the money, all the money appropriated would have been used for the commissioners' salaries and expenses.

Mr. President, I ask the Senator if he will over the week end consider joining with us in a motion to strike out this rather ridiculous section from the farm housing title of the bill. I am not referring to the entire farm housing portion of the bill. The first and second sections I believe to be good. They cover the marginal farms. They cover those which are self-supporting. When we get down to the farms that never can be self-supporting, and appropriate for them merely a small amount of money, simply enough to pay the horde of bureaucrats we shall be obliged to hire, thereby trying to create the impression of giving the farmer something, I think such a provision is simply deceptive. I do not know how many counties and parishes there are in the United States, but there are a great many.

Mr. SPARKMAN. Three thousand rural counties.

Mr. McCARTHY. That will mean the employment of 9,000 commissioners to be paid on a per diem and expense basis. If we check the amount of money we are authorizing, by the time we get through paying the political army—and there is no question that it will be just that—there will be nothing left. In fact, if I were running for reelection tomorrow I would not mind having the right to appoint the members of this army in my State.

Mr. SPARKMAN. Mr. President, I am about to move that the Senate stand in recess; but before doing so, let me say to the Senator from Wisconsin that I hope he will think about this subject over the week end.

Section 404, the section to which he referred as being ridiculous and ludicrous, is not so at all. I wish to say in all earnestness that this is the only part of the bill that provides anything like slum clearance for the great mass of farmers who are living in slums on farms. We are willing to spend one and a half billion dollars to help clear slums in the cities; and I think that $12,500,000 to do a little something to improve slum conditions in the country is not to be taken lightly, or to be termed ridiculous or ludicrous.

With regard to the horde of Federal workers, 9,000 of them, as alleged, the bill does not provide for a single additional worker. There will be just as many workers if section 404 is stricken out as there will be if section 404 is left in.

Furthermore, speaking of the committeemen, I am sure that the able Senator from Wisconsin knows that the Farmers Home Administration, which will administer this farm-housing section, already has a committee in every rural county of the United States, or practically so.

Mr. McCARTHY. Oh, no.

Mr. SPARKMAN. I said, "Or practically so." Wherever the Farmers Home Administration administers its program, it has a committee. That is one of the principal reasons why we provide that the Farmers Home Administration shall administer this part of the program, because by doing so it could use exactly the same committee which it already has in the county. I do not know of any Government agency which is doing a better job than the Farmers Home Administration. By the way, it is already doing some of the work which the Senator from Wisconsin terms ludicrous. It is already doing it in the case of the tenant-purchase program.

Mr. McCARTHY. They are not building toilets.

Mr. SPARKMAN. It is already doing some of the work in the case of those under its rehabilitation program.

I wish to say for the benefit of those who may read the RECORD over the week end that they should not take this program lightly, or consider it as ludicrous. It refers to the possibility of building sanitary privies; and because it provides for that, in addition to putting screens on houses, repairing roofs, digging wells, and furnishing sanitary water supplies, and all those things the correction of which is so badly needed in order to prevent health hazards in the communities, someone who wants to criticize the program dubs it the "toilet" section of the bill. Let them call it what they may. It is a very fine and helpful part of this program, and an effort to do something to relieve to some extent slum conditions as they exist on the farms of the country.

Mr. McCARTHY. Mr. President, will the Senator yield for a further question?

Mr. SPARKMAN. Mr. President, I was about to move a recess. I must leave. I wonder if we could not postpone further questions until Monday. We are to be in session on Monday, and the bill will be before the Senate then. I am sure that we can go into these questions most thoroughly.

Mr. McCARTHY. That is certainly agreeable to me.

RECESS TO MONDAY

Mr. SPARKMAN. I move that the Senate take a recess until 12 o'clock noon on Monday next.

The motion was agreed to; and (at 6 o'clock and 14 minutes p. m.) the Senate took a recess until Monday, April 18, 1949, at 12 o'clock meridian.

WITHDRAWAL

Executive nomination withdrawn from the Senate April 14 (legislative day of April 11), 1949:

POSTMASTER

NORTH DAKOTA

Henry Lemke to be postmaster at Wishek, in the State of North Dakota.

House of Representatives

THURSDAY, APRIL 14, 1949

The House met at 11 o'clock a. m.

The Reverend Dr. Joseph F. Thorning, associate editor of the Americas and World Affairs, rector of St. Joseph's Church, Carrollton Manor, Md., offered the following prayer:

Beloved Father, fountainhead of goodness, enlightenment, and love, make the light of Thy countenance shine benignly upon the Speaker of this House and upon all the Members of the Congress of the United States of America.

Grant wisdom in abundance, we beseech Thee, to the President of our country as well as to all his counselors.

Heavenly Father, look down with favor upon Thy children in the American Republics and Canada on this fifth official celebration of Pan-American Day on Capitol Hill.

Help Thy sons and daughters in the Americas to understand each other better; shower down Thy graces upon the intellects and wills of those who work for brotherly love among all races, nationalities, and creeds in the Western Hemisphere as well as in the entire world.

Unite us, Dear Saviour, whose blood was shed for the salvation and happiness of all mankind.

May the gifts of Thy holy spirit be poured forth copiously upon the people of the Argentine, Bolivia, Brazil, Chile, Colombia, Costa Rica, Cuba, Ecuador, El Salvador, the Dominican Republic, Guatemala, Haiti, Honduras, Mexico, Nicaragua, Panama, Paraguay, Peru, Uruguay, and Venezuela.

Inspire our minds and our hearts with the principles of true friendship, mutual respect, and an abiding attachment to liberty, representative government, democracy, and peace. This we ask in the name of the most blessed Trinity. Amen.

THE JOURNAL

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. McBride, its assistant enrolling clerk, announced that the Senate had passed without amendment a joint resolution of the House of the following title:

H. J. Res. 222. Joint resolution making an additional appropriation for the Veterans' Administration for the fiscal year ending June 30, 1949, and for other purposes.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 2632. An act making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1949, and for other purposes.

The message also announced that the Senate insists upon its amendments to the foregoing bill, requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. MCKELLAR, Mr. HAYDEN, Mr. RUSSELL, Mr. BRIDGES, and Mr. GURNEY to be the conferees on the part of the Senate.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 1757) entitled "An act to amend and extend the provisions of the District of Columbia Emergency Rent Act, approved December 2, 1941, as amended."

PAN-AMERICAN DAY

The SPEAKER. By House Resolution 151, the House has designated today, Thursday, April 14, 1949, for the celebration of Pan-American Day.

CALL OF THE HOUSE

Mr. RANKIN. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently no quorum is present.

Mr. MCCORMACK. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 77]

Allen, La.	Heller	Pickett
Andrews	Herter	Plumley
Barden	Hill	Poulson
Baring	Hoeven	Powell
Barrett, Pa.	Hoffman, Ill.	Quinn
Bolton, Md.	Horan	Ramsay
Brown, Ohio	Hull	Regan
Buckley, N. Y.	Jackson, Calif.	Riehlman
Bulwinkle	Javits	Sanborn
Burke	Jenkins	Scott, Hardie
Burnside	Jennings	Scott, Hugh D., Jr.
Chiperfield	Jensen	Sheppard
Cleyenger	Jonas	Simpson, Pa.
Cole, Kans.	Jones, Ala.	Smith, Kans.
Dawson	Karst	Smith, Ohio
Deane	Kearney	Smith, Va.
DeGraffenried	Kennedy	Smith, Wis.
Dingell	Kilburn	Taylor
Dollinger	Kirwan	Thomas, N. J
Elliott	Klein	Thompson
Elston	Kunkel	Velde
Feighan	Lane	Vursell
Fernandez	Larcade	Walsh
Frazier	LeCompte	Welch, Mo.
Fugate	Lichtenwalter	Werdel
Furcolo	Macy	Whitaker
Gamble	Magee	White, Idaho
Garmatz	Martin, Iowa	Wickersham
Gavin	Miles	Wier
Gillette	Morrison	Willis
Gilmer	Morton	Wilson, Ind.
Gordon	Moulder	Withrow
Gorski, Ill.	Multer	Wolcott
Granahan	Murphy	Wood
Grant	Murray, Wis.	Woodhouse
Green	O'Konski	Woodruff
Hart	Pace	Zablocki
Hedrick	Passman	

The SPEAKER. On this roll call, 311 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

FIRST DEFICIENCY APPROPRIATIONS, 1949

Mr. MAHON. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill H. R. 2632, an act making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1949, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Texas? [After a pause.] The Chair hears none, and appoints the following conferees: Messrs. CANNON, KERR, RABAUT, TABER, and WIGGLESWORTH.

PAN-AMERICAN DAY

The SPEAKER. As the Chair previously announced, this day has been set aside to celebrate Pan-American Day.

The Chair recognizes the gentleman from Alabama [Mr. BATTLE].

Mr. BATTLE. Mr. Speaker, we meet again to observe Pan-American Day. First. A day of recognition of the common goals of our great countries. A day of recognition of our good will, understanding, and mutual respect for each other.

Second. My friend and our former colleague, the distinguished gentleman from Alabama—the Honorable Pete Jarman—has taken charge of this significant occasion many times. Therefore I want to pay a special tribute to him in recognition of the splendid work that he has done to cement the friendship with our Pan-American neighbors. His outstanding achievements have by no means been limited to the promotion of better understanding and good will between these great countries but he has truly done yeoman service for this cause.

Mr. Speaker, for many years now we and our sister republics of this hemisphere have been observing April 14 as Pan-American Day. There is particular significance in this date. It is the anniversary of the resolution that created the Pan American Union in 1890.

The Pan American Union, in a sense, has been the hub of inter-American solidarity. The Union was not the original manifestation of cooperation among the American republics—that historic cooperation goes back to the early days of the nineteenth century. But the establishment of the Union proved to be an important milepost in the step-by-step development that brought inter-American relations to their present high state of development, where mutual respect, mutual interest, and mutual defense are the guiding principles.

Down through the years the Pan American Union has been an active en-

81ST CONGRESS } HOUSE OF REPRESENTATIVES { REPORT
1st Session } { No. 584

APPROPRIATIONS TO SUPPLY DEFICIENCIES IN CERTAIN APPROPRIATIONS

MAY 16, 1949.—Ordered to be printed

Mr. CANNON, from the committee of conference, submitted the following

CONFERENCE REPORT

[To accompany H. R. 2632]

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 2632) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1949, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 20, 24, 25, 26, 34, 48, and 59.

That the House recede from its disagreement to the amendments of the Senate numbered 3, 4, 7, 8, 9, 10, 11, 18, 19, 30, 32, 35, 37, 41, 42, 44, 45, 55, 62, 63, 64, 65, and 67, and agree to the same.

Amendment numbered 22:

That the House recede from its disagreement to the amendment of the Senate numbered 22, and agree to the same with an amendment as follows:

In line 7 of the matter inserted by said amendment strike out "$175,000" and insert in lieu thereof *$137,500*; and the Senate agree to the same.

Amendment numbered 23:

That the House recede from its disagreement to the amendment of the Senate numbered 23, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert *$23,500,000*; and the Senate agree to the same.

Amendment numbered 28:

That the House recede from its disagreement to the amendment of the Senate numbered 28, and agree to the same with an amendment as follows:

In lieu of the matter inserted by said amendment insert the following:

UNITED STATES MARITIME COMMISSION

VESSEL OPERATING FUNCTIONS

Funds appropriated under this head in the Supplemental Independent Offices Appropriation Act, 1949, shall be available during the entire fiscal year: Provided, That the total obligations under this head for the fiscal year 1949 shall not exceed $23,000,000.

And the Senate agree to the same.

Amendment numbered 29:

That the House recede from its disagreement to the amendment of the Senate numbered 29, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert *$13,250,000*; and the Senate agree to the same.

Amendment numbered 31:

That the House recede from its disagreement to the amendment of the Senate numbered 31, and agree to the same with an amendment as follows:

In lieu of the matter inserted by said amendment insert the following:

ADMINISTRATIVE EXPENSES

For expenses necessary for the War Claims Commission, including personal services in the District of Columbia; travel expenses; printing and binding; services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a); and advances or reimbursements to other Government agencies for use of their facilities and services in carrying out the functions of the Commission; $75,000, to be derived from the war claims fund created by section 13 (a) of the War Claims Act of 1948 (Public Law 896, approved July 3, 1948).

And the Senate agree to the same.

Amendment numbered 33:

That the House recede from its disagreement to the amendment of the Senate numbered 33, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert *$1,250,000*; and the Senate agree to the same.

Amendment numbered 38:

That the House recede from its disagreement to the amendment of the Senate numbered 38, and agree to the same with an amendment as follows:

In lieu of the matter stricken out and inserted by said amendment insert the following: *and the limitation under said head on force account activities is hereby amended to read as follows: ": Provided further, That not exceeding 12 per centum of any construction appropriations for the*

Bonneville Power Administration contained in this Act shall be available for construction work by force account, or on a hired-labor basis, except in case of emergencies, local in character, so declared by the Bonneville Power Administrator"; and the Senate agree to the same.

Amendment numbered 39:

That the House reeede from its disagreement to the amendment of the Senate numbered 39, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert *$1,000,000*; and the Senate agree to the same.

Amendment numbered 40:

That the House reeede from its disagreement to the amendment of the Senate numbered 40, and agree to the same with an amendment as follows:

Omit the matter strieken out and inserted by said amendment; and the Senate agree to the same.

Amendment numbered 43:

That the House reeede from its disagreement to the amendment of the Senate numbered 43, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert *$400,000*; and the Senate agree to the same.

Amendment numbered 46:

That the House reeede from its disagreement to the amendment of the Senate numbered 46, and agree to the same with an amendment as follows:

In lieu of the sum named in said amendment insert *$500,000*; and the Senate agree to the same.

Amendment numbered 49:

That the House reeede from its disagreement to the amendment of the Senate numbered 49, and agree to the same with an amendment as follows:

In line 10 of the matter inserted by said amendment strike out "10" and insert in lieu thereof *12*; and the Senate agree to the same.

Amendment numbered 50:

That the House reeede from its disagreement to the amendment of the Senate numbered 50, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert *$4,750,000*; and the Senate agree to the same.

Amendment numbered 51:

That the House reeede from its disagreement to the amendment of the Senate numbered 51, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert *$1,900,000*; and the Senate agree to the same.

Amendment numbered 52:

That the House recede from its disagreement to the amendment of the Senate numbered 52, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert *$4,750,000*; and the Senate agree to the same.

Amendment numbered 53:

That the House recede from its disagreement to the amendment of the Senate numbered 53, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert *$4,800,000*; and the Senate agree to the same.

Amendment numbered 54:

That the House recede from its disagreement to the amendment of the Senate numbered 54, and agree to the same with an amendment as follows:

In lieu of the matter stricken out and inserted by said amendment insert the following: *: Provided, That the limitation of $7,800,000 contained in the first proviso under this head in the Interior Department Appropriation Act, 1949, is hereby increased to $9,250,000: Provided further, That the limitation of $48,000,000 contained in the fourth proviso under this head in said Act is hereby increased to $54,500,000: Provided further, That the limitation of three thousand five hundred contained in the fifth proviso under this head in said Act is hereby increased to three thousand six hundred and twenty-five*; and the Senate agree to the same.

Amendment numbered 56:

That the House recede from its disagreement to the amendment of the Senate numbered 56, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert *$325,000*; and the Senate agree to the same.

Amendment numbered 57:

That the House recede from its disagreement to the amendment of the Senate numbered 57, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert *$450,000*; and the Senate agree to the same.

Amendment numbered 58:

That the House recede from its disagreement to the amendment of the Senate numbered 58, and agree to the same with an amendment as follows:

In line 6 of the matter inserted by said amendment strike out "1942" and insert in lieu thereof the following: *1940*; and the Senate agree to the same.

Amendment numbered 60:

That the House recede from its disagreement to the amendment of the Senate numbered 60, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert *$10,000,000*; and the Senate agree to the same.

Amendment numbered 61:

That the House recede from its disagreement to the amendment of the Senate numbered 61, and agree to the same with an amendment as follows:

In lieu of the sum named in said amendment insert *$500,000*; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 1, 2, 5, 6, 12, 13, 14, 15, 16, 17, 21, 27, 36, 47, and 66.

CLARENCE CANNON,
JOHN H. KERR,
LOUIS C. RABAUT,
JOHN TABER,
R. B. WIGGLESWORTH,
Managers on the Part of the House.

KENNETH MCKELLAR,
CARL HAYDEN,
RICHARD B. RUSSELL,
STYLES BRIDGES,
CHAN GURNEY,
Managers on the Part of the Senate.

STATEMENT OF THE MANAGERS ON THE PART OF THE HOUSE

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 2632) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1949, and for other purposes, submit the following report in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

Amendments Nos. 1 and 2 are reported in disagreement.

Amendments Nos. 3 and 4 relate to the Senate and the House recedes.

Amendments Nos. 5 and 6 are reported in disagreement.

Amendments Nos. 7 to 11, inclusive, relate to the Senate and the House recedes.

Amendments Nos. 12 to 17, inclusive, are reported in disagreement.

INDEPENDENT OFFICES

Amendments Nos. 18, and 19 insert formal language as proposed by the Senate.

Amendment No. 20 strikes out an appropriation, proposed by the Senate, for modernization of the Executive Mansion.

Amendment No. 21 is reported in disagreement.

Amendment No. 22, relating to the Bureau of Community Facilities, Federal Works Agency, appropriates $3,000,000 for maintenance and operation of schools as proposed by the Senate but appropriates $137,500 for administrative expenses instead of $175,000 as proposed by the Senate.

Amendment No. 23, relating to Federal Housing Administration, provides $23,500,000 for administrative expenses instead of $23,000,000, as proposed by the House, and $23,800,000 as proposed by the Senate.

Amendments Nos. 24, 25, and 26 strike out language proposed by the Senate to repeal certain provisos in the 1948 and 1949 Government corporations appropriation bill.

Amendment No. 27 is reported in disagreement.

Amendment No. 28 makes $4,568,000 available for operation of vessels, Maritime Commission, as proposed by the Senate, but language is amended to simplify accounting.

Amendment No. 29 appropriates $13,250,000 for the War Assets Administration instead of $12,500,000, as proposed by the House, and $13,750,000, as proposed by the Senate.

Amendment No. 30 inserts a title as proposed by the Senate.

Amendment No. 31, appropriates $75,000 for the War Claims Commission instead of $100,000, as proposed by the Senate, and deletes proviso proposed by the Senate.

Amendment No. 32 appropriates such amounts as may be necessary for the payment of war claims as proposed by the Senate.

DEPARTMENT OF AGRICULTURE

Amendment No. 33 appropriates $1,250,000 for control of insect-pest outbreaks instead of $1,000,000, as proposed by the House, and $1,350,000, as proposed by the Senate.

Amendment No. 34 strikes out a provision, proposed by the Senate, requiring a special report on insect pest outbreaks.

Amendment No. 35 corrects a misspelled word.

Amendment No. 36 is reported in disagreement.

DEPARTMENT OF COMMERCE

Amendment No. 37 appropriates $366,000 for the Coast and Geodetic Survey, as proposed by the Senate, instead of $290,000, as proposed by the House.

DEPARTMENT OF THE INTERIOR

Amendment No. 38 increases amount of funds available for force-account work from 8 to 12 percent instead of to 10 percent as proposed by the Senate.

Amendment No. 39 appropriates $1,000,000 for Navajo Agency services instead of $360,000, as proposed by the House, and $1,310,000, as proposed by the Senate, and strikes out language as proposed by the Senate.

Amendment No. 40 eliminates language proposed by the Senate to require a special report to Congress on Navajo services.

Amendment No. 41 appropriates $50,000 for education of Indians, as proposed by the Senate.

Amendment No. 42 appropriates $75,000 for conservation of health of Indians, as proposed by the Senate.

Amendment No. 43 appropriates $400,000 for welfare of Indians instead of $385,000, as proposed by the House, and $560,000, as proposed by the Senate.

Amendment No. 44 strikes from the bill language with respect to payment of welfare amounts to Indians as proposed by the Senate.

Amendment No. 45 appropriates $3,750,000 for conversion of the Bushnell Army Hospital as proposed by the Senate.

Amendment No. 46 appropriates $500,000 for conversion of a ship instead of $700,000 as proposed by the Senate.

Amendment No. 47 is reported in disagreement.

Amendment No. 48 strikes out an appropriation of $25,000 tribal funds proposed by the Senate.

Amendment No. 49 increases from 8 to 12 percent the amount of funds available for force-account work instead of 10 percent as proposed by the Senate.

Amendment No. 50 appropriates $4,750,000 for the Davis Dam project instead of $4,500,000, as proposed by the House, and $5,000,000, as proposed by the Senate.

Amendment No. 51 appropriates $1,900,000 for the Colorado-Big Thompson project instead of $1,800,000, as proposed by the House, and $2,000,000, as proposed by the Senate.

Amendment No. 52 appropriates $4,750,000 for the Columbia Basin project instead of $4,500,000, as proposed by the House, and $5,000,000, as proposed by the Senate.

Amendment No. 53 appropriates $4,800,000 for the Missouri River Basin instead of $4,500,000, as proposed by the House, and $5,100,000, as proposed by the Senate.

Amendment No. 54 increases limitations on personal services to $9,250,000 and $54,500,000 instead of $8,410,000 and $53,376,000, as proposed by the Senate, and repeal of such limitations as proposed by the House.

Amendment No. 55 strikes out language proposed by the House repealing a proviso in the Interior Department Appropriation Act, 1949.

Amendment No. 56 appropriates $325,000 for the Lewiston Orchards project instead of $300,000, as proposed by the House, and $350,000, as proposed by the Senate.

Amendment No. 57 appropriates $450,000 for the Provo River project instead of $400,000, as proposed by the House, and $500,000, as proposed by the Senate.

DEPARTMENT OF THE ARMY

Amendment No. 58 continues available $2,000,000 of an appropriation for payment of obligations incurred during the fiscal years 1940–46 instead of during the years 1942–46, as proposed by the Senate.

Amendment No. 59 appropriates $10,500,000 for rivers and harbors, as proposed by the House, instead of $10,509,000, as proposed by the Senate.

Amendment No. 60 appropriates $10,000,000 for "Flood control, general," instead of $2,500,000, as proposed by the House, and $20,000,000, as proposed by the Senate.

Amendment No. 61 limits the amount available for section 205 of the Flood Control Act to $500,000 instead of $2,000,000 as proposed by the Senate.

TITLE II—CLAIMS AND JUDGMENTS

Amendment No. 62 appropriates $22,700,571.07 for payment of claims and judgments as proposed by the Senate.

TITLE III—GENERAL PROVISIONS

Amendments No. 63 and 64 make formal changes in language as proposed by the Senate.

Amendment No. 65 strikes out a provision with respect to purchase of typewriters as proposed by the Senate.

Amendment No. 66 is reported in disagreement.

Amendment No. 67 corrects a section number as proposed by the Senate.

AMENDMENTS IN DISAGREEMENT

The managers on the part of the House have authorized a motion to recede from disagreement and concur in the amendments remaining in disagreement.

CLARENCE CANNON,
JOHN H. KERR,
LOUIS C. RABAUT,
JOHN TABER,
R. B. WIGGLESWORTH,
Managers on the Part of the House.

○

(b) If a resolution of the first House with respect to such plan has been referred to committee—

(1) the procedure with respect to that or other resolutions of such House with respect to such plan which have been referred to committee shall be the same as if no resolution from the other House with respect to such plan had been received; but

(2) on any vote on final passage of a resolution of the first House with respect to such plan the resolution from the other House with respect to such plan shall be automatically substituted for the resolution of the first House.

The amendment was agreed to.

The PRESIDING OFFICER. That concludes the committee amendments.

The bill is open to further amendment.

Mr. BYRD. Mr. President, I have an amendment at the desk, and I offer it and ask to have it stated.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 4, in line 18, it is proposed to strike out the period and insert a comma and the following: "and shall specify the reduction of expenditures (itemized so far as practicable) which it is probable will be brought about by the taking effect of the reorganizations included in the plan."

Mr. BYRD. Mr. President, the purpose of the amendment is to require the President to submit to the Congress estimates of the savings which it is anticipated will result from the reorganization plan he sends to Congress; and the amendment would have such estimates of savings submitted by the President to the Congress at the time when the plan is sent to Congress.

I cannot imagine that there will be any objection to the amendment, for one of the main purposes of the bill is to reduce governmental expenditures. I think the Congress should have the information referred to in the amendment presented to it at the time when the plans come to the Congress for action.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Virginia [Mr. BYRD].

Mr. McCLELLAN. Mr. President, I cannot speak for the entire committee, for I do not believe this amendment was presented to the committee. However, I wish to say that, so far as I am concerned, I have no objection to the amendment. Frankly, I shall be very glad to have furnished, along with each reorganization plan, some statement or some figures in regard to the economies which will result from the proposed plan.

Unless there is some objection by some other Member of the Senate, certainly I have no objection to the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment submitted by the Senator from Virginia.

The amendment was agreed to.

The PRESIDING OFFICER. Are there further amendments to be proposed?

Mr. McCLELLAN. Mr. President, inasmuch as we progressed this far in the consideration of the bill, it seems to me that before a final vote is taken on it, a quorum call should be had, in case other Senators have amendments which they wish to propose. Some Senators have gone to their offices, thinking that the consideration of this bill would take some time. Of course I wish to be fair to all Senators, and therefore I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Hill	Miller
Butler	Hoey	Millikin
Byrd	Holland	Morse
Cain	Humphrey	Mundt
Capehart	Ives	Murray
Chavez	Johnson, Colo.	Myers
Connally	Johnson, Tex.	Neely
Cordon	Johnston, S. C.	O'Conor
Donnell	Kerr	Reed
Douglas	Kilgore	Robertson
Ecton	Lodge	Russell
Ellender	Lucas	Saltonstall
Frear	McCarthy	Schoeppel
Fulbright	McClellan	Smith, Maine
George	McFarland	Sparkman
Graham	McGrath	Thye
Green	McKellar	Vandenberg
Gurney	Malone	Williams
Hayden	Martin	

By order of the Senate, the following announcement is made after each quorum call:

The members of the Committee on Foreign Relations have been granted permission to be absent from the sessions of the Senate while the Committee on Foreign Relations is conducting hearings on the North Atlantic Pact.

The PRESIDING OFFICER. A quorum is present.

Mr. FERGUSON subsequently said: Mr. President, I ask unanimous consent to place in the RECORD following the last quorum call a statement that the Senator from Nevada [Mr. McCARRAN], the Senator from North Dakota [Mr. LANGER], the Senator from Wisconsin [Mr. WILEY], and the junior Senator from Michigan [Mr. FERGUSON] were attending an open hearing of the Judiciary Committee at the time of the quorum call, and therefore were not able to answer to their names, when called, because it was necessary for us to conclude hearing a witness who had to leave town immediately upon the conclusion of his testimony.

The PRESIDING OFFICER. Without objection, the statement will be placed at the point indicated in the RECORD.

The bill is open to further amendment.

Mr. LODGE. Mr. President, I believe this is the first over-all reorganization of the Government ever presented to the Congress. I believe that this reorganization of the executive branch can be the most far-reaching effort at Government economy ever attempted. I invite attention to the fact that the salient reason for the downfall of popular government in the Old World is that government there was no longer able to translate into action the aims and aspirations of the people because it has become so inefficient. I believe, if we are to keep our system of popular government, that we must keep it an efficient government so that the people will have confidence in it. This bill represents compromises on the part of everyone concerned, but it does make possible real progress toward economical and efficient government and I hope it shall pass.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

Mr. O'CONOR. Mr. President, I wish to subscribe wholeheartedly to the statement just made by the Senator from Massachusetts. As has been said by the chairman of the committee, this far-reaching measure will do more, possibly, than will any other bill passed by the Congress to effectuate governmental reorganization. Every safeguard has been thrown about the bill to insure proper congressional consideration. I am firmly of the belief that it is a step toward the greatest efficiency in government, and I trust the bill will have the overwhelming support of the membership of the Senate.

Mr. McCLELLAN. Mr. President, I move that the Committee on Expenditures in the Executive Departments, considering House bill 2361, to provide for the reorganization of Government agencies and for other purposes, which is a companion bill to the bill now pending in the Senate, be discharged from further consideration of that bill.

Mr. SALTONSTALL. Mr. President, I inquire, is that the reorganization bill?

Mr. McCLELLAN. It is the House version of the reorganization bill. The purpose of proceeding in this way is to get it into conference.

The PRESIDING OFFICER. The question is on the motion of the Senator from Arkansas.

The motion was agreed to.

Mr. McCLELLAN. I now move that the Senate proceed to the consideration of the House bill 2361.

The motion was agreed to; and the Senate proceeded to the consideration of the bill (H. R. 2361) to provide for the reorganization of Government agencies, and for other purposes.

Mr. McCLELLAN. I move that all after the enacting clause of the House bill be stricken out and that Senate bill 526, as amended, be substituted therefor.

The motion was agreed to.

Mr. McCARTHY. Mr. President, I should like to have 2 minutes in which to perform a very pleasant duty, namely, to express, as the ranking Republican member of the committee—and I think I speak for the entire membership of the committee—the admiration I have for the excellent work which the chairman of the committee has done on this bill. He deserves the gratitude not only of the Members of the Senate, but of the entire Nation, for doing such an outstanding job.

Mr. LUCAS. Mr. President, I also wish to compliment the Senator from Arkansas. I know of no bill since I have been majority leader which has received such prompt action as has the reorganization bill. I assure the Senators of my deep appreciation of the efforts in connection with this extremely important bill and the unanimity of thought which has prevailed with reference to it.

Mr. McCLELLAN. Mr. President, I thank the majority leader and also the Senator from Wisconsin.

The PRESIDING OFFICER. The question is on the engrossment of the

amendment and the third reading of House bill 2361.

The amendment was ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time and passed.

Mr. McCLELLAN. I move that the Senate insist on its amendment, request a conference with the House thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. McCLELLAN, Mr. EASTLAND, Mr. HOEY, Mr. MCCARTHY, and Mr. IVES conferees on the part of the Senate.

The PRESIDING OFFICER. Without objection, Senate bill 526 is indefinitely postponed.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had passed, without amendment, the following bills of the Senate:

S. 460. An act to authorize the Administrator of Veterans' Affairs to reconvey to the Helena Chamber of Commerce certain described parcels of land situated in the city of Helena, Mont.;

S. 461. An act to clarify the provisions of section 602 (u) of the National Service Life Insurance Act of 1940, as amended;

S. 812. An act to protect scenic values along Oak Creek Canyon and certain tributaries thereof within the Coconino National Forest, Ariz.; and

S. 1185. An act to provide that all employees of the Veterans' Canteen Service shall be paid from funds of the Service, and for other purposes.

The message also announced that the House had insisted upon its amendment to the bill (S. 900) to amend the Commodity Credit Corporation Act, and for other purposes, disagreed to by the Senate; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. SPENCE, Mr. BROWN of Georgia, Mr. PATMAN, Mr. MONRONEY, Mr. WOLCOTT, Mr. GAMBLE, and Mr. KUNKEL were appointed managers on the part of the House at the conference.

The message further announced that the House had agreed to the amendments of the Senate to the bill (H. R. 3762) to amend title 18, entitled "Crimes and Criminal Procedure," and title 28, entitled "Judiciary and Judicial Procedure," of the United States Code, and for other purposes.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 2632) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1949, and for other purposes, and that the House had receded from its disagreement to the amendments of the Senate numbered 1, 2, 5, 6, 12, 13, 14, 15, 16, 17, 21, 27, 36, 47, and 66 to the bill, and concurred therein.

FIRST DEFICIENCY APPROPRIATIONS, 1949—CONFERENCE REPORT

Mr. McKELLAR. Mr. President, I submit a conference report on House bill 2632, the first deficiency appropriation bill, 1949, and I ask unanimous consent for its immediate consideration.

The PRESIDING OFFICER. The clerk will read the report.

The Chief Clerk read the report.

(For conference report, see House proceedings of today's RECORD on pp. 6361–6362.)

The PRESIDING OFFICER. Is there objection to consideration of the conference report at this time?

Mr. SALTONSTALL. Mr. President, may I ask whether it is a unanimous report of the conference committee?

Mr. McKELLAR. It is a unanimous report.

Mr. SALTONSTALL. Is the chairman of the committee entirely in favor of it?

Mr. McKELLAR. Indeed he is, or he would not present it.

Mr. CORDON. Mr. President, I should like to ask the Senator from Tennessee to give us a general idea of the basis of the report.

Mr. McKELLAR. As the Senator will recall, there were three controversies involved. One was whether the White House should be rebuilt or repaired. Another controversy was in connection with the Boke-Straus matter, and the third was with reference to the Navajo Indian school item. There was unanimous agreement on the part of the conferees of both Houses.

The White House matter is stricken from the bill and will be up for consideration in the second deficiency bill.

With reference to the Boke-Straus question, the House conferees receded with reference to that, as the Senator will recall.

The House also receded on the Navajo school item.

Mr. CORDON. I have no objection.

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the report was considered and agreed to.

EXTENSION OF RECIPROCAL TRADE AGREEMENTS ACT

Mr. LUCAS. Mr. President, on March 11 the distinguished chairman of the Finance Committee reported a bill to extend the authority of the President under section 350 of the Tariff Act of 1930, as amended, and for other purposes. I move that the Senate proceed to the consideration of House bill 1211, which is known as the Reciprocal Trade Agreements Act.

The motion was agreed to; and the Senate proceeded to consider the bill (H. R. 1211) to extend the authority of the President under section 350 of the Tariff Act of 1930, as amended, and for other purposes.

Mr. SALTONSTALL. Mr. President, I inquire if it is the intention of the majority leader to ask that the reciprocal trade agreements bill be laid aside temporarily in order that the Senate may proceed tomorrow with the motion for reconsideration made by the Senator from Rhode Island [Mr. GREEN]?

Mr. LUCAS. The Senator from Massachusetts is correct in his assumption. We have an agreement that tomorrow, immediately following the convening of the Senate, the motion made by the Senator from Rhode Island [Mr. GREEN] to reconsider the vote by which the Labor-Federal Security appropriation bill was recommitted shall be taken up.

Mr. SALTONSTALL. May I ask also whether the Senator can tell us what the intention is concerning the agricultural appropriation bill?

Mr. RUSSELL. Mr. President, if the Senator from Illinois will permit me, I may say that I have discussed that matter with my colleague, the senior Senator from Georgia, and, if it conforms with the wishes and plans of the majority leader, I should like to have the Senate proceed with the consideration of the agricultural appropriation bill at the conclusion of the action of the Senate on the motion to reconsider the recommital of the Labor-Federal Security appropriation bill.

Mr. SALTONSTALL. I thank the Senator. May I ask whether that is the understanding of the majority leader?

Mr. RUSSELL. If it meets with the plans of the majority leader, I hope to have the agricultural bill taken up at that time.

Mr. LUCAS. The suggestion made by the able Senator from Georgia meets with my approval, and following disposal of the motion to reconsider made by the Senator from Rhode Island [Mr. GREEN], the Senate will proceed to the consideration of the agricultural appropriations bill.

Mr. RUSSELL. I thank the Senator.

Mr. MILLIKIN. Mr. President, will the Senator from Illinois yield?

Mr. LUCAS. I yield to the Senator from Colorado.

Mr. MILLIKIN. Are there any other measures which might be brought up before the Senate begins the active consideration of the reciprocal trade agreements bill?

Mr. LUCAS. There is a possibility that the civil functions appropriations bill may be considered. It will depend on the attitude of the distinguished senior Senator from Georgia, chairman of the Committee on Finance, who will be in charge of the reciprocal trade agreements bill.

SHIPPING STRIKE IN HAWAII

Mr. MORSE. Mr. President, I wish to discuss very briefly two matters for the RECORD. I desire to call attention to the fact that at the present time there is a very serious shipping strike occurring in Hawaii. I do not purport to speak with any authority in regard to the merits of the positions taken by the two parties to the strike. But I do wish to point out that this strike is another example showing the need for the Eighty-first Congress, in this session, passing some labor legislation which will be fair to all parties concerned, including the public. We need legislation which will provide workable machinery in the field of emergency disputes, and which will help at least to avoid or quickly settle the type of dispute now raging in Hawaii.

Mr. President, approximately 2,000 longshoremen, members of the International Longshoremen's and Warehousemen's Union, have been on strike in Hawaii ports since May 1. The strike resulted, I understand, from the collapse of negotiations for a wage increase de-

How much longer are the American people going to stand for this kind of misconduct?

I hope the Committee on the Judiciary wakes up, and while I am at it, let me say to the gentleman from Pennsylvania [Mr. WALTER] that the Committee on Un-American Activities might wake up also and do some investigating at this time.

But, by all means, let us change the law to protect the American people from these slanderers, these slimemongers of the air, if you please, that are using the radio for the purpose of vilifying innocent Americans who have no way to protect themselves from such attacks.

ECONOMIC COOPERATION ADMINISTRATION—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 179)

The SPEAKER laid before the House the following message from the President of the United States, which was read, and, together with the accompanying papers, referred to the Committee on Foreign Affairs and ordered to be printed, with illustrations:

To the Congress of the United States of America:

I am transmitting herewith the third report of the Economic Cooperation Administration created by the Foreign Assistance Act of 1948, Public Law 472 of the Eightieth Congress, approved April 3, 1948.

The report covers activities under the Economic Cooperation Act of 1948 (title I of Public Law 472) and the China Aid Act of 1948 (title IV of Public Law 472). There is also included a summary of the status of the United States Foreign Relief Program (Public Law 84, 80th Cong.) and the United States Foreign Aid Program (Public Law 389, 80th Cong.).

This report is for the quarter ended December 31, 1948.

HARRY S. TRUMAN.

THE WHITE HOUSE, *May 16, 1949.*

FIRST DEFICIENCY APPROPRIATION BILL, 1949

Mr. CANNON submitted the following conference report and statement on the bill (H. R. 2632) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1949, and for other purposes:

CONFERENCE REPORT (REPT. NO. 584)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 2632) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1949, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 20, 24, 25, 26, 34, 48, and 59.

That the House recede from its disagreement to the amendments of the Senate numbered 3, 4, 7, 8, 9, 10, 11, 18, 19, 30, 32, 35, 37, 41, 42, 44, 45, 55, 62, 63, 64, 65, and 67, and agree to the same.

Amendment numbered 22: That the House recede from its disagreement to the amendment of the Senate numbered 22, and agree to the same with an amendment as follows: In line 7 of the matter inserted by said amendment strike out "$175,000" and insert in lieu thereof "$137,500"; and the Senate agree to the same.

Amendment numbered 23: That the House recede from its disagreement to the amendment of the Senate numbered 23, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$23,500,000"; and the Senate agree to the same.

Amendment numbered 28: That the House recede from its disagreement to the amendment of the Senate numbered 28, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following:

"UNITED STATES MARITIME COMMISSION

"VESSEL OPERATING FUNCTIONS

"Funds appropriated under this head in the Supplemental Independent Offices Appropriation Act, 1949, shall be available during the entire fiscal year: *Provided,* That the total obligations under this head for the fiscal year 1949 shall not exceed $23,000,000."

And the Senate agree to the same.

Amendment numbered 29: That the House recede from its disagreement to the amendment of the Senate numbered 29, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$13,250,000"; and the Senate agree to the same.

Amendment numbered 31: That the House recede from its disagreement to the amendment of the Senate numbered 31, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following:

"ADMINISTRATIVE EXPENSES

"For expenses necessary for the War Claims Commission, including personal services in the District of Columbia; travel expenses; printing and binding; services as authorized by section 15 of the act of August 2, 1946 (5 U. S. C. 55a); and advances or reimbursements to other Government agencies for use of their facilities and services in carrying out the functions of the Commission; $75,000, to be derived from the war claims fund created by section 13 (a) of the War Claims Act of 1948 (Public Law 896, approved July 3, 1948)."

And the Senate agree to the same.

Amendment numbered 33: That the House recede from its disagreement to the amendment of the Senate numbered 33, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$1,250,000"; and the Senate agree to the same.

Amendment numbered 38: That the House recede from its disagreement to the amendment of the Senate numbered 38, and agree to the same with an amendment as follows: In lieu of the matter stricken out and inserted by said amendment insert the following: "and the limitation under said head on force account activities is hereby amended to read as follows: ': *Provided further,* That not exceeding 12 per centum of any construction appropriations for the Bonneville Power Administration contained in this Act shall be available for construction work by force account, or on a hired-labor basis, except in case of emergencies, local in character, so declared by the Bonneville Power Administrator' "; and the Senate agree to the same.

Amendment numbered 39: That the House recede from its disagreement to the amendment of the Senate numbered 39, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$1,000,000"; and the Senate agree to the same.

Amendment numbered 40: That the House recede from its disagreement to the amendment of the Senate numbered 40, and agree to the same with an amendment as follows: Omit the matter stricken out and inserted by said amendment; and the Senate agree to the same.

Amendment numbered 43: That the House recede from its disagreement to the amendment of the Senate numbered 43, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$400,000"; and the Senate agree to the same.

Amendment numbered 46: That the House recede from its disagreement to the amendment of the Senate numbered 46, and agree to the same with an amendment as follows: In lieu of the sum named in said amendment insert "$500,000"; and the Senate agree to the same.

Amendment numbered 49: That the House recede from its disagreement to the amendment of the Senate numbered 49, and agree to the same with an amendment as follows: In line 10 of the matter inserted by said amendment strike out "10" and insert in lieu thereof "12"; and the Senate agree to the same.

Amendment numbered 50: That the House recede from its disagreement to the amendment of the Senate numbered 50, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$4,750,000"; and the Senate agree to the same.

Amendment numbered 51: That the House recede from its disagreement to the amendment of the Senate numbered 51, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$1,900,000"; and the Senate agree to the same.

Amendment numbered 52: That the House recede from its disagreement to the amendment of the Senate numbered 52, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$4,750,000"; and the Senate agree to the same.

Amendment numbered 53: That the House recede from its disagreement to the amendment of the Senate numbered 53, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$4,800,000"; and the Senate agree to the same.

Amendment numbered 54: That the House recede from its disagreement to the amendment of the Senate numbered 54, and agree to the same with an amendment as follows: In lieu of the matter stricken out and inserted by said amendment insert the following: ": *Provided,* That the limitation of $7,800,000 contained in the first proviso under this head in the Interior Department Appropriation Act, 1949, is hereby increased to $9,250,000: *Provided further,* That the limitation of $48,000,000 contained in the fourth proviso under this head in said Act is hereby increased to $54,500,000: *Provided further,* That the limitation of three thousand five hundred contained in the fifth proviso under this head in said Act is hereby increased to three thousand six hundred and twenty-five"; and the Senate agree to the same.

Amendment numbered 56: That the House recede from its disagreement to the amendment of the Senate numbered 56, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$325,000"; and the Senate agree to the same.

Amendment numbered 57: That the House recede from its disagreement to the amendment of the Senate numbered 57, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$450,000"; and the Senate agree to the same.

Amendment numbered 58: That the House recede from its disagreement to the amendment of the Senate numbered 58, and agree

to the same with an amendment as follows: In line 6 of the matter inserted by said amendment strike out "1942" and insert in lieu thereof the following: "1940"; and the Senate agree to the same.

Amendment numbered 60: That the House recede from its disagreement to the amendment of the Senate numbered 60, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$10,000,000"; and the Senate agree to the same.

Amendment numbered 61: That the House recede from its disagreement to the amendment of the Senate numbered 61, and agree to the same with an amendment as follows: In lieu of the sum named in said amendment insert "$500,000"; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 1, 2, 5, 6, 12, 13, 14, 15, 16, 17, 21, 27, 36, 47, and 66.

CLARENCE CANNON,
JOHN H. KERR,
LOUIS C. RABAUT,
JOHN TABER,
R. B. WIGGLESWORTH,
Managers on the Part of the House.

KENNETH MCKELLAR,
CARL HAYDEN,
RICHARD B. RUSSELL,
STYLES BRIDGES,
CHAN GURNEY,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 2632) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1949, and for other purposes, submit the following report in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

Amendments Nos. 1 and 2 are reported in disagreement.

Amendments Nos. 3 and 4 relate to the Senate and the House recedes.

Amendments Nos. 5 and 6 are reported in disagreement.

Amendments Nos. 7 to 11, inclusive, relate to the Senate and the House recedes.

Amendments Nos. 12 to 17, inclusive, are reported in disagreement.

INDEPENDENT OFFICES

Amendments Nos. 18 and 19 insert formal language as proposed by the Senate.

Amendment No. 20 strikes out an appropriation, proposed by the Senate, for modernization of the Executive Mansion.

Amendment No. 21 is reported in disagreement.

Amendment No. 22, relating to the Bureau of Community Facilities, Federal Works Agency, appropriates $3,000,000 for maintenance and operation of schools as proposed by the Senate but appropriates $137,500 for administrative expenses instead of $175,000 as proposed by the Senate.

Amendment No. 23, relating to Federal Housing Administration, provides $23,500,000 for administrative expenses instead of $23,000,000, as proposed by the House, and $23,800,000 as proposed by the Senate.

Amendments Nos. 24, 25, and 26 strike out language proposed by the Senate to repeal certain provisos in the 1948 and 1949 Government corporations appropriation bill.

Amendment No. 27 is reported in disagreement.

Amendment No. 28 makes $4,568,000 available for operation of vessels, Maritime Commission, as proposed by the Senate, but language is amended to simplify accounting.

Amendment No. 29 appropriates $13,250,000 for the War Assets Administration instead of $12,500,000, as proposed by the House, and $13,750,000, as proposed by the Senate.

Amendment No. 30 inserts a title as proposed by the Senate.

Amendment No. 31 appropriates $75,000 for the War Claims Commission instead of $100,000, as proposed by the Senate, and deletes proviso proposed by the Senate.

Amendment No. 32 appropriates such amounts as may be necessary for the payment of war claims as proposed by the Senate.

DEPARTMENT OF AGRICULTURE

Amendment No. 33 appropriates $1,250,000 for control of insect-pest outbreaks instead of $1,000,000, as proposed by the House, and $1,350,000, as proposed by the Senate.

Amendment No. 34 strikes out a provision, proposed by the Senate, requiring a special report on insect-pest outbreaks.

Amendment No. 35 corrects a misspelled word.

Amendment No. 36 is reported in disagreement.

DEPARTMENT OF COMMERCE

Amendment No. 37 appropriates $366,000 for the Coast and Geodetic Survey, as proposed by the Senate, instead of $290,000, as proposed by the House.

DEPARTMENT OF THE INTERIOR

Amendment No. 38 increases amount of funds available for force-account work from 8 to 12 percent instead of to 10 percent as proposed by the Senate.

Amendment No. 39 appropriates $1,000,000 for Navajo Agency services instead of $360,000, as proposed by the House, and $1,310,000, as proposed by the Senate, and strikes out language as proposed by the Senate.

Amendment No. 40 eliminates language proposed by the Senate to require a special report to Congress on Navajo services.

Amendment No. 41 appropriates $50,000 for education of Indians, as proposed by the Senate.

Amendment No. 42 appropriates $75,000 for conservation of health of Indians, as proposed by the Senate.

Amendment No. 43 appropriates $400,000 for welfare of Indians instead of $385,000, as proposed by the House, and $560,000, as proposed by the Senate.

Amendment No. 44 strikes from the bill language with respect to payment of welfare amounts to Indians as proposed by the Senate.

Amendment No. 45 appropriates $3,750,000 for conversion of the Bushnell Army Hospital as proposed by the Senate.

Amendment No. 46 appropriates $500,000 for conversion of a ship instead of $700,000 as proposed by the Senate.

Amendment No. 47 is reported in disagreement.

Amendment No. 48 strikes out an appropriation of $25,000 tribal funds proposed by the Senate.

Amendment No. 49 increases from 8 to 12 percent the amount of funds available for force-account work instead of 10 percent as proposed by the Senate.

Amendment No. 50 appropriates $4,750,000 for the Davis Dam project instead of $4,500,000, as proposed by the House, and $5,000,000, as proposed by the Senate.

Amendment No. 51 appropriates $1,900,000 for the Colorado-Big Thompson project instead of $1,800,000, as proposed by the House, and $2,000,000, as proposed by the Senate.

Amendment No. 52 appropriates $4,750,000 for the Columbia Basin project instead of $4,500,000, as proposed by the House, and $5,000,000, as proposed by the Senate.

Amendment No. 53 appropriates $4,800,000 for the Missouri River Basin instead of $4,500,000, as proposed by the House, and $5,100,000, as proposed by the Senate.

Amendment No. 54 increases limitations on personal services to $9,250,000 and $54,500,000 instead of $8,410,000 and $53,376,000, as proposed by the Senate, and repeal of such limitations as proposed by the House.

Amendment No. 55 strikes out language proposed by the House repealing a proviso in the Interior Department Appropriation Act, 1949.

Amendment No. 56 appropriates $325,000 for the Lewiston Orchards projects instead of $300,000, as proposed by the House, and $350,000, as proposed by the Senate.

Amendment No. 57 appropriates $450,000 for the Provo River project instead of $400,000, as proposed by the House, and $500,000, as proposed by the Senate.

DEPARTMENT OF THE ARMY

Amendment No. 58 continues available $2,000,000 of an appropriation for payment of obligations incurred during the fiscal years 1940–46 instead of during the years 1942–46, as proposed by the Senate.

Amendment No. 59 appropriates $10,500,000 for rivers and harbors, as proposed by the House, instead of $10,509,000, as proposed by the Senate.

Amendment No. 60 appropriates $10,000,000 for "Flood control, general," instead of $2,500,000, as proposed by the House, and $20,000,000, as proposed by the Senate.

Amendment No. 61 limits the amount available for section 205 of the Flood Control Act to $500,000 instead of $2,000,000 as proposed by the Senate.

TITLE II—CLAIMS AND JUDGMENTS

Amendment No. 62 appropriates $22,700,571.07 for payment of claims and judgments as proposed by the Senate.

TITLE III—GENERAL PROVISIONS

Amendments Nos. 63 and 64 make formal changes in language as proposed by the Senate.

Amendment No. 65 strikes out a provision with respect to purchase of typewriters as proposed by the Senate.

Amendment No. 66 is reported in disagreement.

Amendment No. 67 corrects a section number as proposed by the Senate.

AMENDMENTS IN DISAGREEMENT

The managers on the part of the House have authorized a motion to recede from disagreement and concur in the amendments remaining in disagreement.

CLARENCE CANNON,
JOHN H. KERR,
LOUIS C. RABAUT,
JOHN TABER,
R. B. WIGGLESWORTH,
Managers on the Part of the House.

CONSENT CALENDAR

The SPEAKER. This is Consent Calendar day. The Clerk will call the first bill on the calendar.

RESIDENT COMMISSIONER FROM THE VIRGIN ISLANDS

The Clerk called the bill (H. R. 2988) to provide for a Resident Commissioner from the Virgin Islands, and for other purposes.

Mr. TRIMBLE. Mr. Speaker, I understand that a rule has been requested on this bill. I, therefore, ask unanimous consent that the bill go over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

AMENDING HAWAIIAN ORGANIC ACT

The Clerk called the bill (H. R. 173) to amend the Hawaiian Organic Act to

gram so far as the future timber supplies of this country are concerned, because of the valuable assistance that can be rendered the small forestry owners of the Nation.

All in all, this is a most beneficial bill and on that will redound to the benefit of all segments of the country and I heartedly recommend that this bill be passed unanimously by the House.

(Mr. ABBITT asked and was given permission to revise and extend his remarks.)

Mr. GRANGER. Mr. Speaker, I yield such time as he may desire to the gentleman from Louisiana [Mr. ALLEN].

Mr. ALLEN of Louisiana. Mr. Speaker, I am very happy to support this legislation. On January 6, 1949, I introduced H. R. 977, which is the same as section 1 of the pending bill. I had a bill last year similar to H. R. 977.

The growing of timber is a matter of extreme importance to Louisiana. This is particularly true in the Eighth Congressional District, which I have the honor to represent. The Keatchie National Forest, the only national forest in Louisiana, is all situated in the Eighth District. The fine cooperative spirit on the part of both the Federal and the State governments has gone far in the direction of conserving our forests and growing new timber. But much remains to be done. Considerable progress has been made all over the Nation, but we must put much more money into this fine work if we are to rehabilitate our forests for future generations. This bill providing for further cooperative effort between the Federal Government and the States will greatly help in this progressive work.

I am particularly interested in replanting denuded forest land. All phases of forestry are important, but unless we replant land which has been practically denuded, little can be expected. I consider it a great investment to spend money for this purpose. Our natural resources are fast being depleted and our virgin timber is virtually gone, and unless we take adequate steps to reforest both public and private lands, we will fail in our obligation. Of course, this bill applies to private lands. It is a matter of extreme importance to help private land owners reforest their lands. I have found recently that there is considerable interest on the part of small landowners in my section in the reforestation program. The work of the Federal and State governments has served to teach us that the growing of timber is good business and one of the finest crops that we can grow. That is particularly true of most of Louisiana where the slash pine grows so fast and on even the poorest soil.

The growing of timber is also important in the prevention of floods. I have seen this demonstrated in my own section. The growing of timber is one of the best means of protecting land from erosion. Erosion fills up streams.

I am pleased that the committee has reported out this bill. I congratulate the committee, and I hope this bill passes unanimously.

(Mr. ALLEN of Louisiana asked and was given permission to revise and extend his remarks.)

Mr. HOPE. Mr. Speaker, I yield such time as he may desire to the gentleman from South Dakota [Mr. CASE].

Mr. CASE of South Dakota. Mr. Speaker, this bill to extend good forestry practices on a basis of cooperation with the States and with farmers and other owners of timber and wood lots is desirable legislation.

I am particularly glad to see that it places emphasis upon each side in the cooperative agreements doing its fair share.

Often we feel it is a failure on the part of the States to do their fair share in mutual undertakings. In some instances, however, in this tree work the States have been doing more than their equal share.

For instance on forest-fire cooperation, as table I on page 4 of the committee report shows, the total expenditure by the States is in the ratio of 14 to 8 by the Federal Government. My State of South Dakota, on the other hand, has spent for this purpose in the ratio of 24 to 7 by the Federal Government.

Mr. Speaker, this bill has several good features and should be passed. I trust that its enactment will lead to a thorough-going program of cooperation in all phases of the work it authorizes. Trees are national wealth. Their propagation and care are in the national interest.

(Mr. CASE of South Dakota asked and was given permission to revise and extend his remarks.)

(Mr. GAVIN asked and was given permission to revise and extend his remarks.)

Mr. HOPE. Mr. Speaker, I yield to the gentleman from Oregon [Mr. ANGELL] such time as he may desire.

Mr. ANGELL. Mr. Speaker, I commend the committee for bringing in this legislation. We in the West are very much interested in this legislation, particularly the great State of Oregon. The State of Oregon has the largest stand of commercial timber of any State in the Union. The United States has been rather dilatory in preserving this great natural resource, which is one of our great assets. It is an asset that needs protective care, and, as I stated, I am glad the committee is looking toward the future preservation of the forests of our country.

(Mr. ANGELL asked and was given permission to revise and extend his remarks.)

Mr. HOPE. Mr. Speaker, I yield such time as he may desire to the gentleman from Tennessee [Mr. JENNINGS].

[Mr. JENNINGS addressed the House. His remarks will appear hereafter in the Appendix.]

(Mr. JENNINGS asked and was given permission to revise and extend his remarks.)

Mr. HOPE. Mr. Speaker, I yield such time as he may desire to the gentleman from Washington [Mr. HORAN].

Mr. HORAN. Mr. Speaker, I know the Members realize my own great interest in all things connected with forestry. I want to join at this time with my colleagues, and particularly the gentleman from the neighboring State of Oregon, in their commendation of the committee for reporting this bill. I hope that the bill passes unanimously.

(Mr. HORAN asked and was given permission to revise and extend his remarks.)

(Mr. HOPE and Mr. GRANGER asked and were given permission to revise and extend their remarks.)

Mr. COOLEY. Mr. Speaker, I ask unanimous consent that all members may have 5 legislative days in which to extend their remarks in the RECORD on the pending bill.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The SPEAKER. The question is on suspending the rules and passing the bill.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

The title was amended so as to read: "A bill to amend an supplement the act of June 7, 1924 (43 Stat. 653), and for other purposes."

A motion to reconsider was laid on the table.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate, by Mr. Carrell, one of its clerks, announced that the Senate disagrees to the amendment of the House to the bill (S. 900) entitled "An act to amend the Commodity Credit Corporation Charter Act, and for other purposes", requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. THOMAS of Oklahoma, Mr. ELLENDER, Mr. ANDERSON, Mr. AIKEN, and Mr. YOUNG to be the conferees on the part of the Senate.

CONTINUING AUTHORITY OF MARITIME COMMISSION TO SELL, CHARTER, AND OPERATE VESSELS

Mr. BLAND. Mr. Speaker, I ask unanimous consent for the immediate consideration of the joint resolution (H. J. Res. 235) to continue the authority of the Maritime Commission to sell, charter, and operate vessels, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

Mr. MICHENER. Mr. Speaker, reserving the right to object, has the gentleman cleared this matter through the majority leader and the minority leader?

Mr. BLAND. I have cleared it with everybody I know anything about.

Mr. MICHENER. I just want the record to show that.

Mr. BLAND. Yes. I cleared it with everybody, including the gentleman from Ohio [Mr. WEICHEL], the ranking minority member of the committee, who has also agreed.

Mr. CASE of South Dakota. Mr. Speaker, further reserving the right to object, will the gentleman state what this means as far as appropriations to the Maritime Commission are concerned?

Mr. BLAND. I do not know that it means anything so far as appropriations

are concerned, or the amount of them. I understand that the Committee on Appropriations has under consideration funds that were requested for the further extension of chartering, but it is absolutely necessary now that the charter powers, which expires on the 30th day of June 1949, be extended and be carried on, as we ask here, for 1 year, and in that time I will say that the Committee on Merchant Marine and Fisheries has scheduled a long-range program to take care of the whole situation before 1950.

Mr. CASE of South Dakota. The gentleman from Virginia, of course, is well aware of the fact that during the past year the Maritime Commission used this power to sell several vessels on which it was later discovered that there was valuable scrap which, in some instances, exceeded the amount for which the vessel was sold.

Mr. BLAND. I will say that our accounting man, who is employed by the committee, is now investigating the matter, and I hope to have a report soon. He told me no later than last Saturday that it looked as though considerable funds are going to be recovered.

Mr. CASE of South Dakota. Does the gentleman have any assurance that the Maritime Commission will follow any better practice in inventorying these vessels to determine the value of this scrap before they are sold?

Mr. BLAND. I will say to the gentleman that the committee will try to have a correction made of all practices of that nature. As a matter of fact, we are making that investigation now.

Mr. CASE of South Dakota. That is not very assuring. During the hearings on the appropriation bill this year for the Maritime Commission we went into the matter at some length, and we were furnished by the committee's investigating staff with a list of two or three pages of vessels sold, and in numerous instances the amount of scrap later discovered approximated and in some cases exceeded the amount that was gotten for the vessel. We were unable to get from the Maritime Commission any firm commitment that they would adopt any better policy. About all was that hereafter, when a vessel was sold, a representative from the Commission would accompany the purchaser in an inspection, and the purchaser would be required to report the presence of any scrap.

Mr. BLAND. Every effort to correct that situation is being made by the committee. And, I will say also that I understand there is to be a new head of the Commission. General Fleming has been named. I hope he will accept it. He does not know anything about a ship, but he does know about administration, and I believe that he will make a very effective man. I am not only going into that, but I have also asked the committee to investigate the reports of the Hoover Commission and see if anything can be done toward a better reorganization. But, that is not going to help us now, because we have to have these ships in order to send this ECA material over. The cost of chartering, of transporting, is going up, and I am told that the extension of charter powers is essential to get the program carried out.

Mr. CASE of South Dakota. Mr. Speaker, I am well aware of the importance of this ECA material being transported as cheaply as possible, and I am not disposed to interfere with that. At the same time, in view of the failure of the Maritime Commission to give the Committee on Appropriations any assurance whatsoever that they would adopt any real corrective changes in their practices of selling these ships, I am constrained to object at this time, unless the gentleman will consider withdrawing the bill so that we may have an opportunity to consider whether or not it is possible to get some restrictions or corrective measures written into the law.

Mr. BLAND. That will interfere materially with the transportation of the material. I can assure the gentleman that so long as I am Chairman of the Committee on Merchant Marine and Fisheries—and I expect to be until certainly this Congress expires, the Lord helping me to live that long—I will do everything I can to have these things corrected.

Mr. CASE of South Dakota. I appreciate that, and I hope that the gentleman is chairman of the committee as long as there is a Democratic Congress. But, I do know that the Committee on Appropriations endeavored to get definite and adequate assurances from the Commission. The assurances were not forthcoming at our hearings. I must object unless the gentleman will consent to withdraw his bill at this time, so that we may confer further on the matter.

Mr. BLAND. I do not feel that I ought to withdraw it at this time, because I think it is too important, but I will do everything I can to comply with the gentleman's request. I hope he will not object.

Mr. CASE of South Dakota. I object, Mr. Speaker.

FIRST DEFICIENCY APPROPRIATION BILL, 1949

Mr. KERR. Mr. Speaker, I ask unanimous consent for the immediate consideration of the conference report on the bill (H. R. 2632) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1949.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. KERR. Mr. Speaker, I ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House earlier today.)

Mr. KERR. Mr. Speaker, I move the previous question on the conference report.

Mr. TABER. Mr. Speaker, I think the gentleman should explain the conference report.

Mr. KERR. Mr. Speaker, I withdraw my motion and yield myself 3 minutes.

Mr. Speaker, for the information of the membership of the House, I wish to summarize the action of the conferees on the first deficiency appropriation bill. The Senate receded on 5 amendments involving $5,409,000, and the House receded on 37 amendments involving something over $42,000,000. Of this latter amount, however, claims and judgments, which were included in the Senate version of the bill, accounted for something over $31,000,000. The total of the items agreed upon by the conferees is approximately $52,800,000. When the amount of $31,000,000, included for claims and judgments, is excluded, the bill as finally agreed to by the conferees reflects an increase of $21,769,725 above the House figure and $18,079,000 under the Senate figure. I want to point out, however, that a considerable portion of the increase over the House figure is represented by deficiency estimates which were received in the Senate and were not previously considered by the House committee.

The House conferees were determined to limit the Senate increases as much as possible and, as a matter of fact, it took four conferences before a conclusion could be reached.

Such amendments as are reported in disagreement are done so for technical reasons and not because of actual disagreement between the House and Senate conferees.

On the whole, I feel that the House conferees have done an excellent job, and I hope that the conference report will be agreed to.

Mr. HINSHAW. Mr. Speaker, will the gentleman yield?

Mr. KERR. I yield.

Mr. HINSHAW. On page 14 of the bill as marked up by the conferees, provision is made for administrative expenses of the War Claims Commission. Would the gentleman be willing to state the final figure agreed upon between the House and Senate as to the appropriation for the balance of the fiscal year 1949 for the War Claims Commission?

Mr. KERR. The amount of $75,000 was finally agreed upon.

Mr. HINSHAW. May I ask if the proviso at the end of the paragraph was deleted, or whether it still remains in the bill.

Mr. KERR. This was necessary under the rule. The Senate has passed a bill which covers this.

Mr. PHILLIPS of California. Mr. Speaker, will the gentleman yield?

Mr. KERR. I yield.

Mr. PHILLIPS of California. I think I understood it to read that there was an item of something over $3,000,000 for the development of the schools for Navajo Indians at Salt Lake City. It is amendment No. 45, I am advised.

My question is this: These Indians are now being sent to school in Arlington, near Riverside, Calif., which is adequately equipped, and so far has been adequate for them. Therefore, does this not represent an unnecessary expenditure of $3,500,000 or more, or is it nec-

essary that both schools shall be used for that purpose?

Mr. KERR. This amount is required by law. We agreed with the Senate in the amount we put in.

Mr. PHILLIPS of California. The question is, Is it not a waste of money as long as the school presently in use at Arlington, near Riverside, Calif., is adequate? Is that school not to be used or is it to be discontinued?

Mr. KERR. The distribution of the funds did not enter into the picture at all.

Mr. PHILLIPS of California. Does the gentleman mean the committee just put $3,500,000 in the bill without any discussion of it?

Mr. KERR. That was the need determined from the evidence and that is the amount that we gave them.

Mr PHILLIPS of California. The gentleman has not yet answered my question. Perhaps he did not understand me. The gentleman is saying, in effect, that this item was put in without any discussion as to the need of it. Ordinarily, that is not the way we spend $3,500,000.

Mr. RABAUT. No; and that is not the way we spend it here, either.

Mr. PHILLIPS of California. I am glad to hear that.

Mr. RABAUT. The first thing is, the gentleman is talking about something that is not in this bill. What we are talking about is what is listed on line 19, page 21. For this item we gave $3,750,000. We gave it under provision of law which was recently passed by both Houses. What the gentleman is talking about does not come in this bill, and we know nothing about that.

Mr. PHILLIPS of California. No. The gentleman still has not answered my question.

Mr. RABAUT. I have answered as much as I can understand what you are talking about.

Mr. PHILLIPS of California. May I make it a little clearer. It is probably my fault. This says that $3,750,000 is to be expended to convert Bushnell Hospital in Utah for school purposes.

Mr. RABAUT. That is right.

Mr. PHILLIPS of California. I am advised that the school purpose is for the education of Navajo Indian children.

Mr. RABAUT. That is correct.

Mr. PHILLIPS of California. Therefore, I am asking what has happened to the program which presently educates these Navajo Indian children at the school near Riverside, Calif., which up to this time has been adequate for their education, and which would therefore seem to me to be a wasteful appropriation.

Mr. RABAUT. There is no reference at all to this other project that the gentleman is talking about in this bill. This comes with the budget estimate that was approved by the budget and was recognized by both bodies of Congress. Both bodies of Congress passed it and this is the appropriation for the project. What happened to the other project evidently did not concern the budget at the time. Whether they need additional facilities and are going to discontinue the other facilities, I do not know. Something will be done with it, but this project was proven to everybody concerned—proven in the House, proven in the Senate, proven before the Bureau of the Budget, and finally passed and brought up in the form of this appropriation at this time.

Mr. PHILLIPS of California. Then I respectfully point out to the gentleman that I am right when I say that the conferees put into the bill an item of $3,750,000 without knowing what it was all about.

Mr. RABAUT. Well, I would say to the gentleman that variety of opinions makes horse races.

Mr. PHILLIPS of California. Well, it is a fairly expensive horse race.

Mr. RABAUT. Well, it may be a fairly expensive horse race, but there is evidently an attempt here to embarrass—to talk about something that is not in this bill. There are numerous Indian schools, but only one in this bill.

Mr. PHILLIPS of California. There is no attempt to embarrass.

Mr. RABAUT. There cannot be any other attempt.

Mr. PHILLIPS of California. There is a very definite attempt, if the gentleman please, to find why there is $3,750,000 added to this bill without knowing, apparently, that other money was being spent for that purpose, adequately, in another school. If that be embarrassment, then I hope for the sake of the taxpayers there will be more embarrassment of that kind every day we are in session.

Mr. RABAUT. That is the answer.

Mr. PHILLIPS of California. I thank the gentleman.

Mr. RABAUT. Further for the gentleman's information, if he wishes——

Mr. PHILLIPS of California. Yes; I would thank the gentleman for it.

Mr. RABAUT. There are 5,000 of these Indians now in school, yet 20,000 should be in school. From those facts the gentleman might figure that it is an additional needed facility and accordingly provided.

Mr. PHILLIPS of California. I thank the gentleman. It is a very interesting explanation.

CALL OF THE HOUSE

Mr. CHURCH. Mr. Speaker, I make the point of order that a quorum is not present. The people are against excessive expenditure, I found out during the week; and I make the point of no quorum if we are going to talk about a $3,750,000 item with no chance to vote against it.

The SPEAKER. The gentleman is out of order. He has already made the point that a quorum is not present. If he takes himself off the floor, that is his business.

Evidently no quorum is present.

Mr. KERR. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 95]

Auchincloss	Barrett, Pa.	Boggs, La.
Bailey	Bates, Mass.	Bolton, Ohio
Barden	Beall	Bonner
Baring	Biemiller	Bosone
Buchanan	Halleck	Polk
Buckley, N. Y.	Hart	Potter
Burnside	Hedrick	Powell
Burton	Hefferman	Quinn
Byrne, N. Y.	Heller	Rains
Canfield	Hobbs	Reed, Ill.
Carroll	Hull	Regan
Celler	Irving	Ribicoff
Chatham	Jackson, Calif.	Rich
Chiperfield	Kearney	Sadlak
Chudoff	Keogh	Sadowski
Clevenger	Kilburn	St. George
Cooley	Klein	Scott,
Corbett	Latham	Hugh D., Jr.
Cotton	Lichtenwalter	Shafer
Coudert	Lind	Short
Crosser	McMillen, Ill.	Sikes
Davenport	Macy	Smathers
Dawson	Madden	Smith, Ohio
Delaney	Mahon	Smith, Va.
Dingell	Marcantonio	Stanley
Donohue	Merrow	Tauriello
Douglas	Miller, Nebr.	Taylor
Fernandez	Morton	Thomas, N. J.
Flood	Multer	Thomas, Tex.
Fogarty	Murphy	Underwood
Fulton	Murray, Wis.	Vinson
Garmatz	Norblad	Vorys
Gilmer	O'Neill	Vursell
Golden	O'Toole	Walsh
Gorski, Ill.	Passman	Weichel
Granger	Patterson	Werdel
Green	Pfeifer,	Whitaker
Gregory	Joseph L.	Wilson, Ind.
Gwinn	Pfeiffer,	Wood
Hall,	William, L.	Young
Edwin Arthur	Philbin	Zablocki

The SPEAKER. Three hundred and nine Members have answered to their names; a quorum is present.

By unanimous consent, further proceedings under the call were dispensed with.

MINORITY VIEWS

Mr. COLE of Kansas. Mr. Speaker, on behalf of my colleague, the gentleman from Ohio [Mr. SMITH], I ask unanimous consent that he may file minority views on the bill H. R. 4009.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

EXTENSION OF REMARKS

Mr. MICHENER (at the request of Mr. TABER) was granted permission to extend his remarks in the RECORD and include an editorial.

Mr. EVINS asked and was granted permission to extend his remarks in the RECORD and include a resolution by the State of Tennessee.

Mr. ROONEY asked and was granted permission to extend his remarks in the Appendix and include a speech he delivered on yesterday.

Mr. SHEPPARD asked and was granted permission to extend his remarks in the RECORD and include a newspaper article.

Mr. SHEPPARD asked and was granted permission to extend his remarks in the RECORD and include the remarks of Mr. Tony Siminoff.

FEDERAL CROP INSURANCE ACT

Mr. McSWEENEY, from the Committee on Rules, submitted the following resolution (H. Res. 212) on the bill (H. R. 3825) to amend the Federal Crop Insurance Act, which was referred to the House Calendar and ordered printed:

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 3825) to amend the Federal Crop Insurance Act. That after general debate,

which shall be confined to the bill and continue not to exceed 2 hours, to be equally divided and controlled by the chairman and the ranking minority member of the Committee on Agriculture, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

FIRST DEFICIENCY APPROPRIATION BILL, 1949

Mr. KERR. Mr. Speaker, does the gentleman from New York [Mr. TABER] desire some time on this conference report?

Mr. TABER. Yes; I would like 10 minutes, if I may have it.

Mr. KERR. Mr. Speaker, I yield 10 minutes to the gentleman from New York.

Mr. TABER. Mr. Speaker, in this report there are two or three things that I feel I should call attention to.

The language with reference to the Mike Straus and Boke proposition which the House carried was stricken out by the Senate, and the conferees yielded to the Senate and left it out. So that the Interior Department appropriation bill which was passed a year ago still stands, and the prohibition against paying a salary after January 31 to anyone who is not a licensed engineer in the capacity of Commissioner of Reclamation or in the capacity of chief engineer of the Central Valley Authority continues as it was.

There is another item that I think I should call attention to. The amendment is in disagreement, but it will be offered for agreement in a motion made by the committee increasing the appropriation for the Unemployment Insurance Administration from $10,000,000 to $14,000,000. It will be remembered that the House voted on a motion to recommit on just that proposition offered by the gentleman from Connecticut [Mr. SADLAK] and the House refused to do so. It was manifest at that time that it was necessary that we do it.

There is an item that has been referred to by the gentleman from California [Mr. PHILLIPS], providing $3,750,000 for the conversion of a hospital at Brigham City, Utah, into an Indian school for Navajos. Frankly, no one in the conference committee, in my opinion, knew anything about the school at Riverside, Calif., at the time that item was under consideration. For my own part, I felt it was a very liberal amount to provide for the conversion of a hospital into a school; in other words, it was a hospital with 4,000 beds and they wanted $3,750,000 to convert it into a school for 2,000 boarding pupils. That sounded like a very liberal amount, and I felt that it was too much money; but, be that as it may, the conferees did not have before them the question as to whether or not there was an adequate facility at Riverside, Calif. There was a story of a boarding school on the Navajo reservation that did not meet the situation, and that is all we were presented with.

The situation does not turn out to be the way it was presented to the committee. What the House wants to do about it I do not know. What the situation is with reference to the Riverside school, I do not know. It would be up to the House, however, to pass on it.

There are a lot of other items in disagreement that will have to be acted on by a separate vote of the House.

The committee is in agreement as to what shall be done with those individual items. I think that is all I care to say at this time.

Mr. PHILLIPS of California. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield to the gentleman from California.

Mr. PHILLIPS of California. I thank the gentleman from New York. This was the situation which brought about, apparently, the request for a quorum call, as the gentleman from New York knows: Here we have a bill of considerable magnitude confronting the taxpayers of the country and in it are several items which should have careful consideration.

My attitude about the Indian school item is simply that when you have $3,750,000 in a bill somebody ought to be able to say what it is for and whether there is any conflict with any money being spent elewhere; so I raised the question, as the gentleman from New York knows, and has said. We have at Riverside, Calif., a school called the Sherman Institution which presently is taking care of Navajo children, educating Navajo children; and I asked whether, in reequipping the Bushnell Hospital and making it a boarding school for approximately 2,000 children, the Riverside school was to be closed or if we were to use both schools. I thought that was a very simple question, but I was unable to get an answer. I have, during the course of the roll call, been able to call the Indian service and find out that it is not the intention to close the school in California but to use both schools. That should have been a simple reply to a question put to the majority members of the committee whom I was asking. I thought that was a desirable thing to do when we were dealing with three and three-quarters millions. The taxpayers are entitled to know.

I raise this additional question with the gentleman from New York: If we have a hospital that has 4,000 beds and we are making it over into a school to take care of 2,000 Navajo Indian children and the amount involved is $3,750,000 which we are spending for it, it means that for every child we are spending $1,875. Does it not seem to the gentleman from New York that that is a rather large amount to spend on a hospital, already equipped, to make it over into a school for Indian children? That is almost $2,000 a child for the cost of reconverting from a hospital, already equipped with facilities such as kitchens and other most expensive things in the school. This is simply the conversion of a building. It is already built. It is already equipped. Does it not seem to the gentleman from New York that that is a rather large amount? May I ask also, what discussion was there of this amount in the conference committee?

Mr. TABER. I felt that amount was too elaborate and I said so. I feel that way now, but I did not know about this other school at Riverside.

The SPEAKER pro tempore. The time of the gentleman from New York has expired.

Mr. KERR. Mr. Speaker, I yield the gentleman two additional minutes.

Mr. JENSEN. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Iowa.

Mr. JENSEN. Has this matter ever gone through a legislative committee? Have we ever had any hearings on it?

Mr. TABER. There has been a legislative bill authorizing an appropriation of this $3,750,000; yes.

Mr. JENSEN. The fact is we need hospitals for Indians in that particular Navajo area, we also need schools; but, certainly, when we convert a hospital to a school at this terrific amount, it just does not make sense.

Mr. TABER. Frankly, I thought it was too big a figure and I think so now.

Mr. JENSEN. I would say that if we were spending this amount possibly to increase the size of the hospital for Indian people it might be justified because of the fact that we do need hospitals for the Indians out in that area.

Mr. TABER. The hospital has been closed for 2 years now and has been out of use. It is proposed now to take it and convert it into a school.

Mr. JENSEN. It would be much more to the point to take this money and build a school close to the Navajo and Hopi Reservations than to build hospital facilities away from the Indian reservation, a long distance away from the reservation. There is no railroad running from the reservation to this point where they want to build the hospital. It appears to me it is foolhardy and a waste of money and we will get exactly nothing in return.

The SPEAKER pro tempore. The time of the gentleman from New York has again expired.

Mr. KERR. Mr. Speaker, I yield 2 minutes to the gentleman from Michigan [Mr. RABAUT].

Mr. RABAUT. Mr. Speaker, this is another case of where you are always wrong, no matter what you do, according to the opposition.

In the first place, this building is too far away to be established for an Indian hospital. That is point No. 1. It was an Army hospital before, and, as we all know, they establish Army hospitals for different purposes in various parts of the country. It is too far away to be established as an Indian hospital. It will be an Indian boarding school. I hope you get that now; it will be an Indian boarding school. This sum of $3,750,000 is going to be expended to do certain renovating of the buildings, and procuring of equipment for the school, including books, desks, and everything else that goes with a school system. This meas-

ure was approved by the Bureau of the Budget and passed in the committee and approved by both Houses.

Mr. JENSEN. Mr. Speaker, will the gentleman yield?

Mr. RABAUT. I yield to the gentleman from Iowa.

Mr. JENSEN. Of course, the gentleman understands that after we convert this building into a boarding school that it will be necessary to have a complete faculty and to have everything that goes with it. If you would spend this money to build an addition to a school in Albuquerque, N. Mex., or Gallup, or someplace like that close to the reservation, then we could have the same staff to take care of them.

Mr. RABAUT. I have just explained the situation to the gentleman, and he still continues to insist upon his views. Everything for the operation of a first-class boarding school to serve the Indians is proposed here, and that is what the conference passed upon. I am somewhat surprised at the argument that infers that we abandon these facilities and finds fault for doing something with what we have on hand. So, with that, I hope to drop this subject.

The following is a letter from the Comptroller General:

COMPTROLLER GENERAL
OF THE UNITED STATES,
Washington, May 11, 1949.

Hon. KENNETH MCKELLAR,
Chairman, Committee on Appropriations, United States Senate.

Hon. CLARENCE CANNON,
Chairman, Committee on Appropriations, House of Representatives.

MY DEAR MESSRS. CHAIRMEN: I have your letter of May 10, 1949, in which you request my views on three questions pertaining to the proviso in the Interior Department Appropriation Act, 1949, Public Law 841, Eightieth Congress, which stipulated that "after January 31, 1949, no part of any appropriation for the Bureau of Reclamation contained in this act shall be used for the salaries and expenses of a person in any of the following positions in the Bureau of Reclamation, or of any person who perform the duties of any such position, who is not a qualified engineer with at least 5 years' engineering and administrative experience: (1) Commissioner of Reclamation; (2) Assistant Commissioner of Reclamation; and (3) regional director of reclamation." It appears that the Commissioner of Reclamation and a regional director of reclamation have been unable to meet these qualifications, but have retained their positions serving without pay since January 31, 1949.

While the matters presented in your letter do not involve proposed payments or otherwise amount to a presentation as to which I am required by law to render an advance decision, in view of the provisions of 31 United States Code 53 (b)—providing that, at the request of any committee of either House of Congress having jurisdiction over revenues, appropriations, or expenditures, the Comptroller General shall furnish such aid and information as the committee may request—the following comments are submitted. Your questions are quoted in order and discussed below:

"(1) Would the proviso prevent the use of funds other than those appropriated in the Interior Department Appropriation Act, 1949, for the payment of the salaries of these individuals?"

The proviso applies, by its terms, to any appropriation for the Bureau of Reclamation contained in this act (Interior Department Appropriation Act, 1949). Hence, the question is considered as applying to supplemental or deficiency appropriations for the Bureau of Reclamation for the fiscal year 1949. The general rule followed by the accounting officers with respect to the applicability to supplemental or deficiency appropriations of restrictive language contained in the original appropriation act is that a supplemental or deficiency appropriation supplements the original appropriation, partakes of its nature and is available to the same extent and for the same period as the original appropriation in the absence of a clear indication otherwise (4 Comp. Dec. 61; 20 Comp. Gen. 769; 25 id. 61; 27 id. 96). Accordingly, assuming that the question pertains to a supplemental or deficiency appropriation act for the fiscal year 1949, which by its terms would merely add additional money to the appropriations contained in the regular annual appropriation act, it would appear that the restriction of the proviso here involved would be equally applicable to funds appropriated by acts so making supplemental or deficiency appropriations for the Bureau of Reclamation for the fiscal year 1949, even though the restrictive proviso in question is not specifically repeated in such supplemental or deficiency appropriation acts; unless, of course, the restrictive proviso be repealed in such acts.

"(2) Is the continued employment of the two persons above referred to by the Department of the Interior in contravention of that portion of section 665 of title 31 of the United States Code which reads 'nor shall any department or any officer of the Government accept voluntary service for the Government or employ personal service in excess of that authorized by law?'"

For the purposes of this letter, it is assumed the present incumbents of the positions here involved were legally and properly appointed thereto prior to the date of enactment of the proviso in question and have continuously occupied the positions and rendered service therein to the present time. On that assumption, I have no doubt they are de jure employees of the United States. The pertinent proviso in the Interior Department Appropriation Act, 1949, does not by its terms vacate their positions, but merely renders certain appropriations in that act unavailable for the payment of salaries and expenses thereof; and obviously the Congress could later make an appropriation available for such salaries and expenses. The voluntary service referred to in 31 U. S. C. 665 is not necessarily synonymous with gratuitous service but contemplates service furnished on the initiative of the party rendering the same, without request from, or agreement with, the United States therefor (7 Comp. Gen. 810). Accordingly, since, as pointed out above, the incumbents are holding the positions involved under valid appointments by the United States, the continued employment of said individuals in my opinion, would not violate the quoted provision of 31 U. S. C. 665:

"(3) In the event the persons above referred to, who have continued in employment without receiving compensation therefor, should institute suit against the United States for compensation for their services what, in your opinion, consideration should be given to the decisions in the so-called Watson, Lovett, and Dodd cases in determining the matter?"

While it is not possible, of course, for me to forecast the outcome of any suits that might be filed by the incumbents of the positions here involved, or the weight which would be given in such suits to the decisions of the Court of Claims and of the Supreme Court of the United States in the case of *Robert Morss Lovett, et al.* v. *United States* (104 C. Cls. 557, 328 U. S. 303), it is my view that the majority opinion in the Court of Claims, and the concurring opinion of Mr. Justice Frankfurter in the Supreme Court, well might lead to a conclusion that the suits were for the payment of unpaid salaries, that the obligation to pay the salaries had not been destroyed and that the prohibition contained in the proviso in the Interior Department Appropriation Act of 1949 does not preclude the courts from rendering a judgment in favor of the incumbents for their unpaid compensation.

Of course, I express no view regarding the question whether the proviso herein considered should be continued or repealed as that is a question of legislative policy for determination by the Congress.

Sincerely yours,

LINDSAY WARREN,
Comptroller General of the United States.

Mr. KERR. Mr. Speaker, I move the previous question on the conference report.

The question was taken; and on a division (demanded by Mr. CHURCH), there were—ayes 70, noes 30.

Mr. CHURCH. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 292, nays 17, not voting 122, as follows:

[Roll No. 96]

YEAS—292

Abbitt	Cooper	Harden
Abernethy	Cox	Hardy
Addonizio	Crawford	Hare
Albert	Crook	Harris
Allen, Calif.	Cunningham	Harrison
Allen, Ill.	Curtis	Harvey
Allen, La.	Dague	Havenner
Anderson, Calif.	Davies, N. Y.	Hays, Ark.
Andrews	Davis, Ga.	Hays, Ohio
Angell	Davis, Tenn.	Hébert
Arends	Deane	Herlong
Aspinall	DeGraffenried	Herter
Auchincloss	Denton	Heselton
Barrett, Wyo.	D'Ewart	Hill
Bates, Ky.	Dollinger	Hinshaw
Bates, Mass.	Dolliver	Hoeven
Battle	Dondero	Hoffman, Ill.
Beckworth	Doughton	Holifield
Bennett, Fla.	Doyle	Holmes
Bennett, Mich.	Durham	Hope
Bentsen	Eaton	Horan
Bishop	Eberharter	Howell
Blackney	Elliott	Huber
Bland	Ellsworth	Jackson, Calif.
Blatnik	Engel, Mich.	Jackson, Wash.
Boggs, Del.	Engle, Calif.	Jacobs
Bolling	Evins	James
Bolton, Md.	Felghan	Jenison
Boykin	Fellows	Jenkins
Bramblett	Fenton	Jennings
Breen	Fisher	Jensen
Brooks	Forand	Jones, Ala.
Brown, Ga.	Ford	Jones, Mo.
Brown, Ohio	Frazier	Jones, N. C.
Bryson	Fugate	Judd
Buchanan	Furcolo	Karst
Buckley, Ill.	Gary	Karsten
Burke	Gavin	Kean
Burleson	Gillette	Kearns
Byrne, N. Y.	Goodwin	Keating
Camp	Gordon	Kee
Cannon	Gore	Keefe
Carnahan	Gorski, N. Y.	Kelley
Case, N. J.	Gossett	Kennedy
Case, S. Dak.	Graham	Kerr
Celler	Granahan	Kilday
Chelf	Grant	King
Chesney	Gross	Kirwan
Clemente	Hagen	Klein
Cole, Kans.	Hale	Kruse
Cole, N. Y.	Hall, Leonard W.	Kunkel
Colmer	Hallock	Lane
Combs		Lanham

Larcade	Norrell	Spence
LeCompte	Norton	Staggers
LeFevre	O'Brien, Ill.	Steed
Lesinski	O'Brien, Mich.	Stefan
Linehan	O'Hara, Ill.	Stigler
Lodge	O'Hara, Minn.	Stockman
Lovre	O'Konski	Sullivan
Lucas	O'Neill	Sutton
Lyle	O'Sullivan	Tackett
Lynch	Pace	Talle
McCarthy	Patman	Tauriello
McConnell	Patten	Teague
McCormack	Perkins	Thomas, Tex.
McCulloch	Peterson	Thompson
McDonough	Phillips, Calif.	Thornberry
McGrath	Phillips, Tenn.	Tollefson
McGregor	Pickett	Trimble
McGuire	Poage	Van Zandt
McKinnon	Polk	Velde
McSweeney	Potter	Vinson
Mack, Ill.	Poulson	Vursell
Mack, Wash.	Preston	Wadsworth
Magee	Price	Wagner
Mansfield	Priest	Walsh
Marsalis	Rabaut	Walter
Marshall	Ramsay	Welch, Calif.
Martin, Iowa	Rankin	Welch, Mo.
Martin, Mass.	Redden	Wheeler
Meyer	Rhodes	White, Calif.
Michener	Richards	White, Idaho
Miles	Riehman	Whitten
Miller, Calif.	Rivers	Whittington
Miller, Md.	Rodino	Wickersham
Mills	Rogers, Fla.	Wier
Mitchell	Rogers, Mass.	Wigglesworth
Monroney	Rooney	Williams
Morgan	Sanborn	Willis
Morris	Sasscer	Wilson, Okla.
Morrison	Scudder	Wilson, Tex.
Moulder	Secrest	Winstead
Murdock	Sheppard	Wolcott
Murray, Tenn.	Simpson, Ill.	Woodhouse
Nelson	Simpson, Pa.	Worley
Nixon	Sims	Yates
Noland	Smith, Va.	

NAYS—17

Andersen, H. Carl	Elston	Smith, Kans.
	Gamble	Smith, Wis.
Andresen, August H.	Hoffman, Mich.	Taber
	Mason	Towe
Byrnes, Wis.	Reed, N. Y.	Woodruff
Church	Rees	
Davis, Wis.	Scrivner	

NOT VOTING—122

Bailey	Gathings	O'Toole
Barden	Gilmer	Passman
Baring	Golden	Patterson
Barrett, Pa.	Gorski, Ill.	Pfeifer, Joseph L.
Beall	Granger	
Biemiller	Green	Pfeiffer, William L.
Boggs, La.	Gregory	
Bolton, Ohio	Gwinn	Philbin
Bonner	Hall, Edwin Arthur	Plumley
Bosone		Powell
Brehm	Hand	Quinn
Buckley, N. Y.	Hart	Rains
Bulwinkle	Hedrick	Reed, Ill.
Burdick	Heffernan	Regan
Burnside	Heller	Ribicoff
Burton	Hobbs	Rich
Canfield	Hull	Sabath
Carlyle	Irving	Sadlak
Carroll	Javits	Sadowski
Cavalcante	Johnson	St. George
Chatham	Jonas	Scott, Hardie
Chiperfield	Kearney	Scott, Hugh D., Jr.
Christopher	Keogh	
Chudoff	Kilburn	Shafer
Clevenger	Latham	Short
Cooley	Lemke	Sikes
Corbett	Lichtenwalter	Smathers
Cotton	Lind	Smith, Ohio
Coudert	McMillan, S. C.	Stanley
Crosser	McMillen, Ill.	Taylor
Davenport	Macy	Thomas, N. J.
Dawson	Madden	Underwood
Delaney	Mahon	Vorys
Dingell	Marcantonio	Weichel
Donohue	Merrow	Werdel
Douglas	Miller, Nebr.	Whitaker
Fallon	Morton	Wilson, Ind.
Fernandez	Multer	Withrow
Flood	Murphy	Wolverton
Fogarty	Murray, Wis.	Wood
Fulton	Nicholson	Young
Garmatz	Norblad	Zablocki

So the conference report was agreed to.

The Clerk announced the following pairs:

General pairs until further notice:

Mr. Gorski of Illinois with Mr. Werdel.
Mr. Gregory with Mr. Beall.
Mr. Heller with Mrs. St. George.
Mr. Gilmer with Mr. Patterson.
Mr. Keogh with Mr. Macy.
Mr. Davenport with Mrs. Bolton of Ohio.
Mr. Biemiller with Mr. Reed of Illinois.
Mr. Joseph L. Pfeifer with Mr. Fulton.
Mr. Garmatz with Mr. Short.
Mr. Fallon with Mr. Edwin Arthur Hall.
Mr. McMillan of South Carolina with Mr. Wolverton.
Mr. Murphy with Mr. Clevenger.
Mrs. Douglas with Mr. Lemke.
Mr. Donohue with Mr. Gwinn.
Mr. Philbin with Mr. Sadlak.
Mr. Rains with Mr. Coudert.
Mr. Sadowski with Mr. Latham.
Mr. Irving with Mr. Canfield.
Mr. Hobbs with Mr. Morton.
Mrs. Bosone with Mr. Chiperfield.
Mr. Bonner with Mr. Plumley.
Mr. Burnside with Mr. Smith of Ohio.
Mr. Multer with Mr. Taylor.
Mr. Stanley with Mr. Miller of Nebraska.
Mr. Whitaker with Mr. Corbett.
Mr. Wood with Mr. Walter E. Brehm.
Mr. Young with Mr. Lichtenwalter.
Mr. Zablocki with Mr. Hardie Scott.
Mr. Sikes with Mr. Hugh D. Scott, Jr.
Mr. Heffernan with Mr. Shafer.
Mr. Hart with Mr. Hand.
Mr. Green with Mr. Jonas.
Mr. Barrett of Pennsylvania with Mr. Wilson of Indiana.
Mr. Chudoff with Mr. Weichel.

Mr. HARVEY changed his vote from "nay" to "yea."

The result of the vote was announced as above recorded.

The doors were opened.

A motion to reconsider was laid on the table.

The SPEAKER. The Clerk will report the first amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 1: Page 1, line 9, insert:

"For payment to Vera C. Bushfield, widow of Harlan J. Bushfield, late a Senator from the State of South Dakota, $12,500."

Mr. KERR. Mr. Speaker, I ask unanimous consent that Senate amendments Nos. 1 to 16 inclusive be considered and voted on en bloc.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The Clerk read as follows:

Senate amendment No. 2: Page 2, line 1, insert:

"For payment to Alice W. Broughton, widow of J. Melville Broughton, late a Senator from the State of North Carolina, $12,500."

Senate amendment No. 5: Page 2, line 17, insert:

"Hereafter the basic annual rates of compensation for two clerks at $3,480 each contained in the Legislative Branch Appropriation Act, 1949, shall be one at $4,260 and one at $2,700."

Senate amendment No. 6: Page 2, line 21, insert:

"Commencing March 1, 1949, the appropriation for 'Salaries of officers and employees of the Senate' contained in the Legislative Branch Appropriation Act, 1949, shall be available for the compensation of laborer in charge of private passage at $2,280 basic per annum in lieu of laborer in charge of private passage at $2,120."

Senate amendment No. 12: Page 3, line 4, insert:

"Commencing January 20, 1949, the provisions of existing law relating to long-distance telephone calls for Senators shall be equally applicable to the Vice President of the United States."

Senate amendment No. 13: Page 3, line 18, insert:

"The basic salary of the research assistant to the minority leader authorized by Senate Resolution No. 158, agreed to December 9, 1941, hereby is increased from $6,000 to $7,320 per annum."

Senate amendment No. 14: Page 3, line 22, insert:

"Notwithstanding the provisions of the Treasury-Post Office Appropriation Act, 1949, the appropriation 'Miscellaneous items, contingent expenses of the Senate', shall be available for purchase of new or used typewriters at prices which do not exceed prices established under the provisions of the Treasury-Post Office Appropriation Act, 1949."

Senate amendment No. 15: Page 4, line 10, insert:

"For payment to Vera Bloom, daughter of Sol Bloom, late a Representative from the State of New York, $12,500."

Senate amendment No. 16: Page 4, line 21, insert:

"JOINT COMMITTEE ON NONESSENTIAL FEDERAL EXPENDITURES

"For an amount which is hereby authorized to enable the Joint Committee on Reduction of Nonessential Federal Expenditures to carry out the duties imposed upon it by section 601 of the Revenue Act of 1941 (55 Stat. 726), to remain available during the existence of the committee, $20,000, to be disbursed by the Secretary of the Senate."

Mr. KERR. Mr. Speaker, I move that the House recede and concur in Senate amendments Nos. 1 to 16, inclusive.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 17: Page 8, line 12, strike out "$10,000,000" and insert "$14,000,000, of which $4,000,000 shall be available only upon determination by the Federal Security Administrator, with the approval of the Director of the Bureau of the Budget, that increased costs have resulted either from (1) increases in work load, or (2) increases in salaries of State employees, occurring after February 1, 1949."

Mr. KERR. Mr. Speaker, I move that the House recede and concur in the Senate amendment.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 21: Page 9, line 18, insert:

"GENERAL ACCOUNTING OFFICE BUILDING, DISTRICT OF COLUMBIA

"The contract authority provided under this head in the Second Deficiency Appropriation Act, 1948, for the construction of a building for the use of the General Accounting Office, is increased in an amount not to exceed $2,550,000 under the revised limit of cost of $25,400,000."

Mr. KERR. Mr. Speaker, I move that the House recede and concur in the Senate amendment.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 27: Page 11, line 5, insert:

"MOTOR CARRIER CLAIMS COMMISSION

"Salaries and expenses

"For expenses necessary for the Motor Carrier Claims Commission established by the act of July 2, 1948 (Public Law 880), including personal services in the District of Columbia, travel expenses; printing and binding, and services as authorized by section 15 of the act of August 2, 1946 (5 U. S. C. 55a), $50,000: *Provided,* That section 6 of the aforesaid act of July 2, 1948, as amended, is further amended by striking out the words '9 months' and inserting in lieu thereof the words '15 months', and section 13 of said act, as amended, is further amended by striking out the words '9 months' period' and inserting in lieu thereof the words '15 months' period.'"

Mr. KERR. Mr. Speaker, I move that the House recede and concur in the Senate amendment.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 36: Page 17, line 4, insert:

"FARMERS' HOME ADMINISTRATION

"Loans to farmers, property damage

"The funds ppropriated under the head 'Loans to farmers, 1948 flood damage,' in the Second Deficiency Appropriation Act, 1948, shall remain available until June 30, 1950, in accordance with the terms and conditions specified under said head, to provide assistance to farmers whose property is destroyed or damaged as a result of floods, storms, or other natural calamity during the calendar years 1948 and 1949."

Mr. KERR. Mr. Speaker, I move that the House recede and concur in the Senate amendment.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 47: Page 22, line 8, insert:

"Payment to Choctaw and Chickasaw Nations of Indians, Oklahoma

"For payment to the Choctaw and Chickasaw Nations of Indians in fulfillment of the terms of a contract between the United States of America and the said nations as authorized by the act of June 28, 1944 (58 Stat. 483), and as ratified by the act of June 24, 1948 (Public Law 754), $8,359,000, of which not to exceed $50,000 shall be available until expended for defraying the expenses, including printing and binding, of making the per capita payment authorized by the above acts: *Provided,* That in addition to the per capita payment, the Secretary of the Interior, in his discretion, is authorized to distribute per capita to the enrolled members of the Choctaw and Chickasaw Nations, entitled under existing law to share in the funds of such tribes, or to their lawful heirs or devisees determined in the manner prescribed in section 4 of the aforesaid act of June 24, 1948, any or all of the funds held by the Government of the United States for the benefit of said tribes."

Mr. KERR. Mr. Speaker, I move that the House recede and concur in the Senate amendment.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 66: Page 33, line 8, insert:

"SEC. 302. The appropriations and authority with respect to appropriations in this act in whole or in part for the fiscal year 1949 shall be available from and including March 1, 1949, for the purposes respectively provided in such appropriations and authority. All obligations incurred during the period between March 1, 1949, and the date of the enactment of this act in anticipation of such appropriations and authority are hereby ratified and confirmed if in accordance with the terms thereof."

Mr. KERR. Mr. Speaker, I move that the House recede and concur in the Senate amendment.

The motion was agreed to.

A motion to reconsider the votes by which action was taken on the several motions was laid on the table.

Mr. KERR. Mr. Speaker, I ask unanimous consent that all Members may have 24 hours in which to extend their remarks on the conference report just agreed to.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

CONTINUING AUTHORITY OF THE MARITIME COMMISSION TO SELL, CHARTER, AND OPERATE VESSELS

Mr. BLAND. Mr. Speaker, I ask unanimous consent for the immediate consideration of the joint resolution (H. J. Res. 235) to continue the authority of the Maritime Commission to sell, charter, and operate vessels, and for other purposes.

When this joint resolution was brought up earlier in the day the gentleman from South Dakota objected to its consideration, but he now has an amendment to offer and I understand will withdraw his objection.

Mr. CASE of South Dakota. If the gentleman will yield, I raised a question about one point with regard to the extension of authority. I have since conferred with the gentleman from Virginia and have prepared an amendment. With the understanding that that amendment will be agreed to, I have no objection to the consideration of the joint resolution at this time.

The Clerk read the title of the joint resolution.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There being no objection, the Clerk read the joint resolution, as follows:

Resolved, etc., That the joint resolution entitled "Joint resolution to continue until June 30, 1949, the authority of the Maritime Commission to sell, charter, and operate vessels, and for other purposes," approved February 28, 1949 (Public Law 12, 81st Cong.), is amended by striking out the date "June 30, 1949" wherever it appears therein and inserting in lieu thereof the date "June 30, 1950."

With the following committee amendment:

At the end of the bill add the following:

"SEC. 2. Any charter in effect at the time of the enactment of this joint resolution shall be terminated by the Commission at the earliest date permitted under the terms thereof after June 30, 1949, unless the charterer enters into an agreement with the Commission that each vessel delivered or retained under such charter shall not be redelivered to the Commission, at the option of the charterer, within less than 6 months for liner services, except coastwise services, or 4 months for bulk services and coastwise services, or for the remainder of the period ending June 30, 1950, if such period is less than said periods of 6 or 4 months, respectively. No charter shall be made by the Commission under authority of this joint resolution or after the date of enactment thereof unless the charterer enters into an agreement with the Commission that each vessel delivered or retained under the terms of such charter shall not be redelivered to the Commission, at the option of the charterer, within less than 6 months for liner services except coastwise services, or 4 months for bulk services and coastwise services, or for the remainder of the period ending June 30, 1950, if such period is less than said periods of said 6 and 4 months, respectively: *Provided, however,* That no vessel so chartered may begin a new voyage after June 30, 1950.

The committee amendment was agreed to.

Mr. CASE of South Dakota. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. CASE of South Dakota: On page 1, line 9, strike out the period, insert a colon and the following: *"Provided,* That hereafter no sale of a vessel by the Maritime Commission shall be completed until its ballast and equipment shall have been inventoried and their value taken into consideration by the Commission in determining the selling price."

The amendment was agreed to.

The joint resolution was ordered to be engrossed and read a third time, and was read the third time, and passed, and a motion to reconsider was laid on the table.

COMMODITY CREDIT CORPORATION CHARTER ACT

Mr. SPENCE. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (S. 900) to amend the Commodity Credit Corporation Charter Act, and for other purposes, with a House amendment thereto, insist on the House amendment, and agree to the conference requested by the Senate.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky? [After a pause.] The Chair hears none, and appoints the following conferees: Messrs. SPENCE, BROWN of Georgia, PATMAN, MONRONEY, WOLCOTT, GAMBLE, and KUNKEL.

EXTENSION OF REMARKS

Mr. RABAUT asked and was given permission to extend his remarks in the RECORD and include a letter from the Comptroller General of the United States.

Mrs. NORTON and Mr. CHURCH asked and were given permission to revise and extend their remarks.

UNITED STATES-WASHINGTON AND LEE UNIVERSITY BICENTENNIAL COMMISSION

The SPEAKER. Pursuant to the provisions of Public Law 636, Eigtieth Congress, the Chair appoints as members of the United States-Washington and Lee

University Bicentennial Commission the following Members on the part of the House to serve with himself: Messrs. HARRISON, ALBERT, BROWN of Ohio, and WADSWORTH.

SPECIAL ORDER

The SPEAKER. Under previous order of the House the gentleman from Delaware [Mr. BOGGS] is recognized for 15 minutes.

(Mr. BOGGS of Delaware asked and was given permission to revise and extend his remarks.)

SOME FACTS ON PUBLIC HEALTH AND CHEMICAL FOOD ADJUNCTS

Mr. BOGGS of Delaware. Mr. Speaker, on March 2 and again on May 9, our colleague and my good friend, the distinguished and able Representative from Wisconsin [Mr. KEEFE], addressed the House on the subject of public health and the use of chemicals in the Nation's food industry.

In the course of his discussions the gentleman from Wisconsin made several remarks pertaining to one of the Nation's foremost chemical research and manufacturing concerns. The company referred to in his remarks is the Atlas Powder Co., of Wilmington, Del.

I am well acquainted with the reputation of the Atlas Powder Co. Its home office, as well as some of its manufacturing facilities, are located in the State which it is my very great privilege and honor to represent. Many of the officers and employees of the Atlas Powder Co. are my personal acquaintances and friends. The Atlas Powder Co. was organized in 1912. It has nine manufacturing plants scattered from coast to coast. It is my opinion that the Atlas Powder Co. enjoys a reputation for excellence of products unsurpassed in the American chemical and industrial fields.

In view of the remarks by my friend from Wisconsin and in view of my personal knowledge of the excellent reputation of the Atlas Powder Co., I have undertaken to look into the problem to which the gentleman from Wisconsin has directed his remarks. I would like, therefore, to present at this time a few observations, so that the remarks of the gentleman from Wisconsin concerning the Atlas Powder Co. will no longer be misunderstood or unchallenged.

Mr. KEEFE. Mr. Speaker, will the gentleman yield?

Mr. BOGGS of Delaware. I would like to yield to the gentleman, and I will yield to him at the conclusion of my remarks.

Mr. KEEFE. I think the gentleman should yield now, in view of the fact that he has referred to me in the manner in which he has. I would like to ask the gentleman to point out, in any speech that I have made, where I have unjustly criticized or cast aspersions of any kind whatsoever upon the Atlas Powder Co. Rather than stating bare conclusions, I would suggest that the gentleman refer to my statements.

Mr. BOGGS of Delaware. I thank the gentleman for his observation. I am coming to that directly.

Mr. Speaker, the Atlas Powder Co. is an organization of undisputed, excellent reputation. It means very much to the citizens of the State of Delaware by way of employment and otherwise; and to the entire Nation because of its useful and unsurpassed products. It has contributed greatly to the proud reputation which the State of Delaware holds as "The Chemical Capital of the World."

Certainly the gentleman from Wisconsin desires to be fair in this matter. Therefore, I cannot understand how he permitted himself to make remarks reflecting upon the excellent reputation of the Atlas Powder Co.

The gentleman from Wisconsin, as we all know, is sincerely interested in improving the public health of our Nation. This interest, he has told us, prompted the two speeches in which unfavorable reference was made to Atlas Powder Co. Let me make it clear then, that it is my firm conviction that Atlas Powder Co. is as sincerely interested in improving the public health of our Nation and protecting each individual's health as anyone could be. Furthermore, the company has made ample demonstration of this sincere interest and objective.

There is another point I believe the facts will clarify. We all know the gentleman from Wisconsin represents a great dairy and agricultural area. He naturally is on the alert to protect these interests. He fears, therefore, any competition by way of substitutes for agricultural products, because such substitutes could possibly diminish the market and use of those agricultural products.

His fears are not well grounded as far as Atlas Powder Co. products are concerned. In fact, I find that the Atlas Powder Co.'s products, to which reference has been made, are not food substitutes, nor are they substitutes for any agricultural product. The truth is that all Atlas Powder Co. emulsifiers are made from farm-produced fats and oils. Moreover, I have found that Atlas, in making most of these emulsifiers, is primarily dependent upon corn grown on our farms and uses this farm product in enormous quantities. The use of farm-produced corn fats and oils in the making of Atlas emulsifiers exemplifies an expanding field of uses and an enlarged market for farm-grown products. Therefore, I say that as between the agricultural interests and the chemical field there is no conflict whatsoever, as far as the Atlas products are concerned.

In talking informally, I often get this simple question: What are the Atlas food emulsifiers and what are they used for?

The simple answer is that they are merely food adjuncts. They are not food substitutes, nor a substitute for shortening or any other food ingredient. They are used in very small proportional quantities in the preparation of certain foods, such as in the baking industry, in order to develop a better dispersion of the fats and oils with the other mix of the foods, thus enhancing the natural flavor, quality, and appearance of the foods.

Now there is another question: Are the Atlas emulsifiers safe to put in food? Are they safe for human consumption?

The answer, Mr. Speaker, is that there is no evidence anywhere to show that they are not safe for human consumption. As a matter of fact, extensive feeding studies, including human feeding studies, have been conducted by eminently qualified experts, and have demonstrated that Atlas emulsifiers are safe for use in food products and for human consumption.

Now the next question is: Why all this discussion here on the floor of the House of Representatives?

In answer to that question let me point out that the Pure Food and Drug Administration, an agency of the United States Government, is at the present time conducting hearings for the development of standards of identity for bread products. At this hearing, which is in the nature of a judicial hearing where evidence is submitted pertaining to all ingredients in bread products, the Atlas Powder Co. has in regular course been offering its evidence concerning its food emulsifier products. These hearings before the Food and Drug Administration have not been concluded, nor has the Food and Drug Administration or the Federal Security Agency, of which it is a part, reached a decision as a result of these hearings. The Atlas Powder Co., having every confidence in its products and the evidence which is being submitted in support of these products, has naturally and properly refrained from public controversy.

However, it may be stated that there are those who make competitive emulsifiers. In fact, they have had a monopoly in this field. They are represented at the hearings before the Pure Food and Drug Administration and are bitterly opposing the Atlas emulsifiers for competitive reasons. These interests, for their own selfish reasons, of course, are endeavoring to use to their advantage those genuinely interested in improving our public health. And, therefore, statements have thus been made here on the floor of the House, prompted by a sincere interest in public health, but nevertheless untimely because of the hearings which are still in progress.

That is the simple explanation, in my opinion, for the references which have been made here on the floor of the House concerning Atlas Powder Co. and its emulsifier products.

May I also say at this point, Mr. Speaker, that the Pure Food and Drug Administration has a staff of able and qualified personnel, technically trained to study this problem. It is my definite opinion that this agency of the Government should be given every opportunity to reach its conclusions after a full consideration of all the evidence. It should be permitted to do so without being subjected to any indirect influences from any source which does not have all of the evidence and which may not be fully qualified to interpret that evidence.

Now, in conclusion, may I say that it is my hope that these hearings before the Pure Food and Drug Administration will be given an opportunity to run their natural course so that the Pure Food and Drug Administration may reach logical conclusions based on the facts. However, I shall continue to study this matter personally, not only because of my own interest in improving the pub-

[Public Law 71—81st Congress]
[Chapter 138—1st Session]
[H. R. 2632]

AN ACT

Making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1949, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, to supply supplemental appropriations for the fiscal year ending June 30, 1949, and for other purposes, namely:

LEGISLATIVE BRANCH

Senate

For payment to Vera C. Bushfield, widow of Harlan J. Bushfield, late a Senator from the State of South Dakota, $12,500.

For payment to Alice W. Broughton, widow of J. Melville Broughton, late a Senator from the State of North Carolina, $12,500.

OFFICE OF THE VICE PRESIDENT

For the expense allowance of the Vice President, fiscal year 1949, from January 20 to June 30, $4,500.

ADMINISTRATIVE AND CLERICAL ASSISTANTS TO SENATORS

The appropriation for administrative and clerical assistants and messenger service for Senators contained in the Legislative Branch Appropriation Act, 1949, is made available for the employment of an additional clerk at the basic rate of $1,500 per annum by each Senator from the States of California and Virginia, the population of said States having exceeded ten million and three million, respectively.

OFFICE OF SERGEANT AT ARMS AND DOORKEEPER

Hereafter the basic annual rates of compensation for two clerks at $3,480 each contained in the Legislative Branch Appropriation Act, 1949, shall be one at $4,260 and one at $2,700.

Commencing March 1, 1949, the appropriation for "Salaries of officers and employees of the Senate" contained in the Legislative Branch Appropriation Act, 1949, shall be available for the compensation of laborer in charge of private passage at $2,280 basic per annum in lieu of laborer in charge of private passage at $2,120.

CONTINGENT EXPENSES OF THE SENATE

Vice President's automobile: For an additional amount for "Vice President's automobile", fiscal year 1949, $2,500.

Postage stamps: For additional amounts for postage stamps, for the following offices: Office of the Secretary, $150; Office of the Sergeant at Arms, $75; in all, fiscal year 1949, $225.

Furniture: For an additional amount for furniture and repairs, fiscal year 1949, $6,000.

Commencing January 20, 1949, the provisions of existing law relating to long-distance telephone calls for Senators shall be equally applicable to the Vice President of the United States.

The basic salary of the research assistant to the minority leader authorized by Senate Resolution Numbered 158, agreed to December 9, 1941, hereby is increased from $6,000 to $7,320 per annum.

Notwithstanding the provisions of the Treasury-Post Office Appropriation Act, 1949, the appropriation "Miscellaneous items, contingent expenses of the Senate", shall be available for purchase of new or used typewriters at prices which do not exceed prices established under the provisions of the Treasury-Post Office Appropriation Act, 1949.

HOUSE OF REPRESENTATIVES

For payment to Temple W. West, widow of Milton H. West, late a Representative from the State of Texas, $12,500.

For payment to Lotti S. Delaney, widow of John J. Delaney, late a Representative from the State of New York, $12,500.

For payment to Vera Bloom, daughter of Sol Bloom, late a Representative from the State of New York, $12,500.

CONTINGENT EXPENSES OF THE HOUSE

Miscellaneous Items

Notwithstanding the provisions of the Treasury Department Appropriation Act, 1949, the appropriation for "Miscellaneous items" for the House of Representatives in the Legislative Branch Appropriation Act, 1949, shall be available for purchase of new or used typewriters at prices which do not exceed prices established under the provisions of the Treasury Department Appropriation Act, 1949.

JOINT COMMITTEE ON NONESSENTIAL FEDERAL EXPENDITURES

For an amount which is hereby authorized to enable the Joint Committee on Reduction of Nonessential Federal Expenditures to carry out the duties imposed upon it by section 601 of the Revenue Act of 1941 (55 Stat. 726), to remain available during the existence of the committee, $20,000, to be disbursed by the Secretary of the Senate.

ARCHITECT OF THE CAPITOL

CAPITOL BUILDING, SENATE AND HOUSE ROOFS AND CHAMBERS

Capitol Building: For an additional amount to enable the Architect of the Capitol to carry forward the improvements affecting the House Wing of the Capitol authorized by the Second Deficiency Appropriation Act of June 27, 1940 (54 Stat. 629), as amended by the Acts of June 8, 1942 (56 Stat. 342), and July 17, 1945 (59 Stat. 472), $2,274,500. The Architect of the Capitol is authorized to enter into contracts, including cost-plus-a-fixed-fee contracts as approved by the

Special Committee on Reconstruction of House Roof and Skylights and Remodeling of House Chamber, and to make such other expenditures as may be necessary for the improvements affecting the House Wing of the Capitol authorized by such Acts, in such amounts as may be approved by the House committee appointed under section 1 of the Act of July 17, 1945, notwithstanding the provisions of section 2 of that Act: *Provided*, That the amounts so approved by such committee may be obligated in full prior to the actual appropriation thereof.

THE JUDICIARY

MISCELLANEOUS ITEMS OF EXPENSE

FEES OF JURORS

For an additional amount for "Fees of jurors", $300,000.

GENERAL PROVISIONS

Notwithstanding the provisions of the Treasury Department Appropriation Act, 1949, appropriations in the Judiciary Appropriation Act, 1949, available for miscellaneous expenses or for salaries and expenses shall be available for purchase of new or used typewriters at prices which do not exceed prices established under the provisions of the Treasury Department Appropriation Act, 1949.

EXECUTIVE OFFICE OF THE PRESIDENT

COMPENSATION OF THE PRESIDENT

For an additional amount, fiscal year 1949, for "Compensation of the President" from January 20 to June 30, including an expense allowance at the rate of $50,000 per annum, as authorized by Public Law 2, approved January 19, 1949, $33,437.52.

OFFICE OF DEFENSE TRANSPORTATION

SALARIES AND EXPENSES

For an additional amount for "Salaries and expenses", $95,000; and the limitation under this head in the Supplemental Independent Offices Appropriation Act, 1949, on the amount available for travel expenses is increased from "$54,000" to "$65,000": *Provided*, That the appropriation under said head shall remain available until June 30, 1949: *Provided further*, That the sum of $60,000 made available under said head exclusively for terminal leave payments shall be available for any of the purposes specified under said head.

INDEPENDENT OFFICES

DISPLACED PERSONS COMMISSION

For an additional amount for "Displaced Persons Commission", $1,200,000; and the limitation under this head in the Second Deficiency Appropriation Act, 1948, on the purchase of passenger motor vehicles, is increased from "fifteen" to "thirty-five".

FEDERAL SECURITY AGENCY

BUREAU OF EMPLOYEES' COMPENSATION

Administrative Expenses, War Claims Act

For administrative expenses necessary for performing the duties imposed upon the Federal Security Administrator by the War Claims Act of 1948 (Public Law 896, approved July 3, 1948), $35,000, to be derived from the war claims fund created by section 13 (a) of said Act and to be advanced to and consolidated with the appropriation for "Salaries and expenses" under the Bureau of Employees' Compensation in the Federal Security Agency Appropriation Act, 1949.

Employees' Compensation Fund

For an additional amount for "Employees' compensation fund", $3,400,000.

SOCIAL SECURITY ADMINISTRATION

Grants to States for public assistance

For an additional amount for "Grants to States for public assistance", $151,000,000.

Grants to States for Unemployment Compensation and Employment Service Administration

For an additional amount for "Grants to States for unemployment compensation and employment service administration", $14,000,000, of which $4,000,000 shall be available only upon determination by the Federal Security Administrator, with the approval of the Director of the Bureau of the Budget, that increased costs have resulted either from (1) increases in work load, or (2) increases in salaries of State employees, occurring after February 1, 1949.

FEDERAL WORKS AGENCY

PUBLIC BUILDINGS ADMINISTRATION

General Accounting Office Building, District of Columbia

The contract authority provided under this head in the Second Deficiency Appropriation Act, 1948, for the construction of a building for the use of the General Accounting Office, is increased in an amount not to exceed $2,550,000 under the revised limit of cost of $25,400,000.

BUREAU OF COMMUNITY FACILITIES

Maintenance and Operation of Schools

For an additional amount for "Maintenance and operation of schools", $3,000,000; and the limitation under this head in the Second Deficiency Appropriation Act, 1948, on the amount available for administrative expenses, is increased from "$100,000" to "$137,500".

HOUSING AND HOME FINANCE AGENCY

FEDERAL HOUSING ADMINISTRATION

The amount made available under this head in the Government Corporations Appropriation Act, 1949, for administrative expenses of the Federal Housing Administration, is increased from "$19,000,000" to "$23,500,000"; and the sources of funds for such administrative expenses shall include the housing investment insurance fund created by the Housing Act of 1948.

HOUSING EXPEDITER

SALARIES AND EXPENSES

For an additional amount for "Salaries and expenses, Office of the Housing Expediter", $4,800,000.

MOTOR CARRIER CLAIMS COMMISSION

SALARIES AND EXPENSES

For expenses necessary for the Motor Carrier Claims Commission established by the Act of July 2, 1948 (Public Law 880), including personal services in the District of Columbia, travel expenses, printing and binding, and services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a), $50,000: *Provided*, That section 6 of the aforesaid Act of July 2, 1948, as amended, is further amended by striking out the words "nine months" and inserting in lieu thereof the words "fifteen months", and section 13 of said Act, as amended, is further amended by striking out the words "nine months' period" and inserting in lieu thereof the words "fifteen months' period".

NATIONAL CAPITAL HOUSING AUTHORITY

MAINTENANCE AND OPERATION OF PROPERTIES

For an additional amount for "Maintenance and operation of properties", $3,300.

TENNESSEE VALLEY AUTHORITY

For an additional amount for "Tennessee Valley Authority", $2,950,000, to remain available until expended; and the limitation under this head in title I of the Government Corporations Appropriation Act, 1949, on the amount available for capital expenditures, is increased from "$21,689,000" to "$24,639,000": *Provided*, That the limitation under this head in title II of the Government Corporations Appropriation Act, 1949, on the amount available for administrative and general expenses of the Corporation, is increased from "$3,677,000" to "$3,988,000", and the limitation therein on the use for such purposes of funds appropriated by title I of said Act is hereby repealed.

THE TAX COURT OF THE UNITED STATES

SALARIES AND EXPENSES

The limitation imposed by section 104 of the Independent Offices Appropriation Act, 1949, on the amount available for travel expenses under this head, is increased from "$20,000" to "$26,000".

UNITED STATES MARITIME COMMISSION

VESSEL OPERATING FUNCTIONS

Funds appropriated under this head in the Supplemental Independent Offices Appropriation Act, 1949, shall be available during the entire fiscal year: *Provided*, That the total obligations under this head for the fiscal year 1949 shall not exceed $23,000,000.

VETERANS' ADMINISTRATION

NATIONAL SERVICE LIFE INSURANCE

For an additional amount for "National service life insurance", $55,000,000, to remain available until expended.

SOLDIERS' AND SAILORS' CIVIL RELIEF

For an additional amount for "Soldiers' and sailors' civil relief", $100,000, to remain available until expended.

VETERANS' MISCELLANEOUS BENEFITS

For an additional amount for "Veterans' miscellaneous benefits", $44,189,000, to remain available until expended.

WAR ASSETS ADMINISTRATION

SALARIES AND EXPENSES, SPECIAL FUND

For an additional amount for "Salaries and expenses, War Assets Administration, special fund", $13,250,000, to be derived from the special fund account in the Treasury as provided for in the First Deficiency Appropriation Act, 1946: *Provided*, That all funds appropriated under this head for the fiscal year 1949 shall be available during the entire fiscal year: *Provided further*, That notwithstanding the provisions of any other law, not to exceed $4,000,000 of the proceeds of the disposal of surplus property or deductions from proceeds otherwise collectible as a result of the disposal of such property shall be available for such costs of renovation, restoration, rehabilitation, improvement, and repair of industrial facilities, as may be contracted for during the fiscal year 1949 if required for purposes of national defense or for the protection of the public or of private property from the effects of the operation of such facilities: *Provided further*, That the effective date for abolishing the office of the War Assets Administrator, terminating the existence of the War Assets Administration, and transferring to other Federal agencies its responsibility for disposal of property declared surplus prior to July 1, 1948, as prescribed by the Supplemental Independent Offices Appropriation Act, 1949, is hereby changed from "February 28, 1949", to "June 30, 1949", or such earlier date as may be established by legislation enacted during the first session of the Eighty-first Congress.

WAR CLAIMS COMMISSION

ADMINISTRATIVE EXPENSES

For expenses necessary for the War Claims Commission, including personal services in the District of Columbia; travel expenses; printing and binding; services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a); and advances or reimbursements to other Government agencies for use of their facilities and services in carrying out the functions of the Commission; $75,000, to be derived from the war claims fund created by section 13 (a) of the War Claims Act of 1948 (Public Law 896, approved July 3, 1948).

PAYMENT OF CLAIMS

For payment of claims, as authorized by the War Claims Act of 1948, from funds deposited in the Treasury to the credit of the war claims fund created by section 13 (a) of said Act, such sums as may be necessary, to be available to the Secretary of the Treasury for payment of claims under sections 4 (a), 4 (b) (2), 5 (e), 6 (b), and 7 of said Act to the payees named and in the amounts stated in certifications by the War Claims Commission and the Federal Security Administrator or their duly authorized representatives, which certifications shall be in lieu of any vouchers which might otherwise be required: *Provided*, That this appropriation shall not be available for administrative expenses.

DEPARTMENT OF AGRICULTURE

OFFICE OF INFORMATION

PRINTING AND BINDING

The limitation under this head in the Department of Agriculture Appropriation Act, 1949, on the amount which may be transferred to this appropriation from other appropriations of the Department of Agriculture, is increased from "$145,000" to "$170,500".

AGRICULTURAL RESEARCH ADMINISTRATION

BUREAU OF ENTOMOLOGY AND PLANT QUARANTINE

Control of Emergency Outbreaks of Insects and Plant Diseases

For an additional amount for "Control of emergency outbreaks of insects and plant diseases", $1,250,000.

PRODUCTION AND MARKETING ADMINISTRATION

CONSERVATION AND USE OF AGRICULTURAL LAND RESOURCES

For an additional amount for "Conservation and use of agricultural land resources", for formulating and carrying out programs under the Agricultural Adjustment Act of 1938, as amended, including cotton and wheat marketing quota programs, $9,734,500; and the limitation under this head in the Department of Agriculture Appropriation Act, 1949, on the amount available during the fiscal year 1949 for salaries and other administrative expenses, is increased from

"$24,500,000" to "$34,234,500"; and the limitation under said head on the amount available for transfer to the appropriation account "Administrative expenses, section 392, Agricultural Adjustment Act of 1938", is increased from "$7,000,000" to "$8,284,000".

FARMERS' HOME ADMINISTRATION

LOANS TO FARMERS, PROPERTY DAMAGE

The funds appropriated under the head "Loans to farmers, 1948 flood damage", in the Second Deficiency Appropriation Act, 1948, shall remain available until June 30, 1950, in accordance with the terms and conditions specified under said head, to provide assistance to farmers whose property is destroyed or damaged as a result of floods, storms, or other natural calamity during the calendar years 1948 and 1949.

COMMODITY CREDIT CORPORATION

ADMINISTRATIVE EXPENSES, COMMODITY CREDIT CORPORATION

The limitation under this head in the Department of Agriculture Appropriation Act, 1949, on the amount available for administrative expenses of the Corporation, is increased from "$7,575,000" to "$10,814,700".

DEPARTMENT OF COMMERCE

OFFICE OF THE SECRETARY

VOLUNTARY AGREEMENTS

For an additional amount for "Voluntary agreements", $190,000.

BUREAU OF THE CENSUS

CENSUS OF BUSINESS

For an additional amount for "Census of business", $11,000,000, to remain available until December 31, 1951; and appropriations under this head shall be available for health service programs as authorized by law (5 U. S. C. 150), and for compensation of employees of the Department of Commerce and other departments and independent agencies of the Government who may be detailed for field work.

CIVIL AERONAUTICS ADMINISTRATION

CLAIMS, FEDERAL AIRPORT ACT

For reimbursement, in accordance with section 17 of the Federal Airport Act, as amended, to public agencies for necessary rehabilitation and repair to public airports damaged by Federal agencies, $1,227,140, to remain available until June 30, 1953, as follows: Greensboro-High Point Airport, Greensboro, North Carolina, $197,813; Buffalo Municipal Airport, Buffalo, New York, $594,344; Nantucket Airport, Nantucket, Massachusetts, $57,582; Detroit-Wayne Major Airport, Wayne County, Michigan, $168,689; Adams Field, Little Rock Municipal Airport, Little Rock, Arkansas, $187,072; and Galveston Municipal Airport, Galveston, Texas, $21,640.

COAST AND GEODETIC SURVEY

SALARIES AND EXPENSES, FIELD

For an additional amount for "Salaries and expenses, field", $366,000.

BUREAU OF FOREIGN AND DOMESTIC COMMERCE

EXPORT CONTROL

For an additional amount for "Export control", $1,000,000; and limitations under this head in the Second Deficiency Appropriation Act, 1948, on amounts available for transfer to other appropriations are increased as follows: Bureau of Customs, from "$1,350,000" to "$1,500,000".

DEPARTMENT OF THE INTERIOR

OFFICE OF THE SECRETARY

EXPENSES, POWER TRANSMISSION FACILITIES

For an additional amount for "Expenses, power transmission facilities", $131,000.

BONNEVILLE POWER ADMINISTRATION

CONSTRUCTION, OPERATION, AND MAINTENANCE

For an additional amount for "Construction, operation and maintenance, Bonneville power transmission system", $6,047,800, to remain available until expended; and the limitation under this head in the Interior Department Appropriation Act, 1949, on expenses for operation and maintenance of the Bonneville transmission system, is increased from "$3,231,800" to "$3,521,600"; and the limitation under said head on force account activities is hereby amended to read as follows: ": *Provided further*, That not exceeding 12 per centum of any construction appropriations for the Bonneville Power Administration contained in this Act shall be available for construction work by force account, or on a hired-labor basis, except in case of emergencies, local in character, so declared by the Bonneville Power Administrator": *Provided*, That, in addition to the contract authorization contained under said head, the Administrator is authorized to contract in the fiscal year 1949 for materials, equipment, and services for power transmission facilities in an amount not in excess of $1,452,200.

BUREAU OF INDIAN AFFAIRS

NAVAJO AND HOPI SERVICE

Agency Services

For an additional amount for "Agency services", $1,000,000.

EDUCATION OF INDIANS

For an additional amount for "Education of Indians", $50,000.

CONSERVATION OF HEALTH

For an additional amount for "Conservation of health", $75,000.

WELFARE OF INDIANS

For an additional amount for "Welfare of Indians", $400,000.

CONSTRUCTION, AND SO FORTH, BUILDINGS AND UTILITIES

For an additional amount under this head for the conversion of the Bushnell Army Hospital, Brigham City, Utah, for school purposes, $3,750,000, and the limitation under "Construction, and so forth, Buildings and Utilities" in the Department of Interior Appropriation Act, 1949, on the amount which may be used for surveys and plans and administrative expenses, and so forth, is increased from "$190,000" to "$227,500".

ALASKA NATIVE SERVICE

Vessel Conversion

For expenses necessary in converting and outfitting a vessel for use as a service and supply ship by the Alaska Native Service, $500,000, to remain available until expended.

PAYMENT TO CHOCTAW AND CHICKASAW NATIONS OF INDIANS, OKLAHOMA

For payment to the Choctaw and Chickasaw Nations of Indians in fulfillment of the terms of a contract between the United States of America and the said nations as authorized by the Act of June 28, 1944 (58 Stat. 483), and as ratified by the Act of June 24, 1948 (Public Law 754), $8,359,000, of which not to exceed $50,000 shall be available until expended for defraying the expenses, including printing and binding, of making the per capita payment authorized by the above Acts: *Provided*, That in addition to the per capita payment, the Secretary of the Interior, in his discretion, is authorized to distribute per capita to the enrolled members of the Choctaw and Chickasaw Nations, entitled under existing law to share in the funds of such tribes, or to their lawful heirs or devisees determined in the manner prescribed in section 4 of the aforesaid Act of June 24, 1948, any or all the funds held by the Government of the United States for the benefit of said tribes.

BUREAU OF RECLAMATION

FORCE ACCOUNT WORK

That part of the Interior Department Appropriation Act for 1949 which reads: "Not exceeding 8 per centum of the construction appropriation for any project under the Bureau of Reclamation contained in this Act shall be available for construction work by force account, or on a hired labor basis, except for projects or items the estimated construction cost of which does not exceed $200,000, and only then in cases where the Bureau of Reclamation finds the lowest bids to be

excessive." is hereby repealed and in lieu thereof the following provision is hereby inserted: "Not exceeding 12 per centum of the construction appropriation for the Bureau of Reclamation for any project contained in this Act shall be available for construction work by force account and on a hired-labor basis; except that not to exceed $500,000 may on approval of the Commissioner be expended for construction work by force account on any one project when the work is unsuitable for contract or when excessive bids are received; and except in cases of emergencies local in character, so declared by the Commissioner."

GENERAL FUND

Construction

For additional amounts for "Construction", to remain available until expended, as follows:

Davis Dam project, Arizona-Nevada, $4,750,000;

Colorado-Big Thompson project, Colorado, $1,900,000;

Columbia Basin project, Washington, $4,750,000.

Missouri River Basin

For an additional amount for "Missouri River Basin," reimbursable to the extent and as provided in the Act of December 22, 1944 (58 Stat. 887), $4,800,000, to remain available until expended.

RECLAMATION FUND

The following sums are appropriated out of the reclamation fund created by the Act of June 17, 1902, as follows:

General Offices

Salaries and expenses (other than project offices)

For an additional amount for "Salaries and expenses (other than project offices)", $260,000: *Provided*, That the limitation of $7,800,000 contained in the first proviso under this head in the Interior Department Appropriation Act, 1949, is hereby increased to $9,250,000: *Provided further*, That the limitation of $48,000,000 contained in the fourth proviso under this head in said Act is hereby increased to $54,500,000: *Provided further*, That the limitation of three thousand five hundred contained in the fifth proviso under this head in said Act is hereby increased to three thousand six hundred and twenty-five.

Construction

For additional amounts for "Construction", to remain available until expended, as follows:

Boise project, Idaho, Payette division, $275,000;

Lewiston Orchards project, Idaho, $325,000;

Provo River project, Utah, $450,000, of which $215,000 is for the payment of obligations incurred under authority provided under this head in the Interior Department Appropriation Act, 1948.

Operation and Maintenance

Colorado-Big Thompson project, Colorado

For an additional amount for "Colorado-Big Thompson project", from power revenues, $52,000.

North Platte project, Nebraska-Wyoming

For an additional amount for "North Platte project, Nebraska-Wyoming", from power revenues, $17,500.

Kendrick project, Wyoming

For an additional amount for "Kendrick project, Wyoming", from power revenues, $131,000.

Emergency Fund

For establishing an emergency fund as authorized by the Act of June 26, 1948 (Public Law 790), $1,000,000, to remain available until expended for the purposes specified in said Act.

NATIONAL MILITARY ESTABLISHMENT

DEPARTMENT OF THE ARMY—MILITARY FUNCTIONS

SECRETARY OF THE ARMY

EXPEDITING PRODUCTION

The sum of $2,000,000 of the appropriation "Expediting production of equipment and supplies for national defense, fiscal years 1940–1946", shall remain available until June 30, 1949, for the payment of obligations incurred under contracts executed thereunder prior to July 1, 1946.

DEPARTMENT OF THE ARMY—CIVIL FUNCTIONS

CORPS OF ENGINEERS

Rivers and Harbors and Flood Control

The limitation under this head in the Civil Functions Appropriation Act, 1949, on the amount available for payment of salaries in the Office of the Chief of Engineers, is increased from "$1,250,000" to "$1,341,740".

Rivers and Harbors

Maintenance and improvement of existing river and harbor works

For an additional amount for "Maintenance and improvement of existing river and harbor works", $10,500,000, to remain available until expended.

Flood Control

Flood control, general

For an additional amount for "Flood control, general", $14,000,000, to remain available until expended.

Flood control, general (emergency fund)

For an additional amount for "Flood control, general (emergency fund)", as authorized by the Flood Control Act of 1948 (Public Law 858, approved June 30, 1948), $10,000,000, to remain available until expended: *Provided*, That not to exceed $500,000 shall be made available under the provisions of and for the purposes enumerated in section 205 of the above Act.

POST OFFICE DEPARTMENT

(Out of Postal Revenues)

FIELD SERVICE, POST OFFICE DEPARTMENT

OFFICE OF THE POSTMASTER GENERAL

Damage Claims

For an additional amount for "Damage claims", $250,000.

OFFICE OF THE SECOND ASSISTANT POSTMASTER GENERAL

Railroad Transportation and Mail Messenger Service

For an additional amount for "Railroad transportation and mail messenger service", $70,000,000.

Railway Mail Service, Travel Allowance

For an additional amount for "Railway mail service, travel allowance", $2,727,000.

Foreign Air Mail Service

For an additional amount for "Foreign air mail service", $17,000,000.

OFFICE OF THE FOURTH ASSISTANT POSTMASTER GENERAL

Vehicle Service

For an additional amount for "Vehicle service", $13,000,000.

TREASURY DEPARTMENT

FISCAL SERVICE

BUREAU OF ACCOUNTS

Payment of Certified Claims

For an additional amount for "Payment of certified claims", $2,300,000.

Refund of Moneys Erroneously Received and Covered

For an additional amount for "Refund of moneys erroneously received and covered", $800,000.

BUREAU OF ENGRAVING AND PRINTING

SALARIES AND EXPENSES

For an additional amount, fiscal year 1949, for "Salaries and expenses", $1,500,000.

BUREAU OF THE MINT

SALARIES AND EXPENSES

For an additional amount for "Salaries and expenses", $250,000: *Provided*, That appropriations under this head for the fiscal year 1949 shall be available for paying wage increases effective from the date of approval by the Treasury Department.

TITLE II—CLAIMS FOR DAMAGES, AUDITED CLAIMS, AND JUDGMENTS

For payment of claims for damages as settled and determined by departments and agencies in accord with law, audited claims certified to be due by the General Accounting Office, and judgments rendered against the United States by United States district courts and the United States Court of Claims, as set forth in Senate Documents Numbered 15 and 24, Eighty-first Congress, $22,700,571.07, together with such amounts as may be necessary to pay interest (as and when specified in such judgments or in certain of the settlements of the General Accounting Office or provided by law) and such additional sums due to increases in rates of exchange as may be necessary to pay claims in foreign currency: *Provided*, That no judgment herein appropriated for shall be paid until it shall have become final and conclusive against the United States by failure of the parties to appeal or otherwise: *Provided further*, That, unless otherwise specifically required by law or by the judgment, payment of interest wherever appropriated for herein shall not continue for more than thirty days after the date of approval of this Act.

TITLE III—GENERAL PROVISIONS

SEC. 301. No part of any appropriation contained in this Act shall be used to pay the salary or wages of any person who engages in a strike against the Government of the United States or who is a member of an organization of Government employees that asserts the right to strike against the Government of the United States, or who advocates, or is a member of an organization that advocates, the overthrow of the Government of the United States by force or violence: *Provided*, That for the purposes hereof an affidavit shall be considered prima facie evidence that the person making the affidavit has not contrary to the provisions of this section engaged in a strike against the Government of the United States, is not a member of an organization of Government employees that asserts the right to strike against the Government of the United States, or that such person does not advocate, and is not a member of an organization that advocates, the overthrow of the Government of the United States by force or violence: *Provided further*, That any person who engages in a strike against the Government of the United States or who is a

member of an organization of Government employees that asserts the right to strike against the Government of the United States, or who advocates, or who is a member of an organization that advocates, the overthrow of the Government of the United States by force or violence and accepts employment the salary or wages for which are paid from any appropriation contained in this Act shall be guilty of a felony and, upon conviction, shall be fined not more than $1,000 or imprisoned for not more than one year, or both: *Provided further*, That the above penalty clause shall be in addition to, and not in substitution for, any other provisions of existing law.

SEC. 302. The appropriations and authority with respect to appropriations in this Act in whole or in part for the fiscal year 1949 shall be available from and including March 1, 1949, for the purposes respectively provided in such appropriations and authority. All obligations incurred during the period between March 1, 1949, and the date of the enactment of this Act in anticipation of such appropriations and authority are hereby ratified and confirmed if in accordance with the terms thereof.

SEC. 303. This Act may be cited as the "First Deficiency Appropriation Act, 1949".

Approved May 24, 1949.